

TOWNSHIP OF RANDOLPH

COUNTY OF MORRIS

REPORT OF AUDIT

2020

*NISIVOCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS*

TOWNSHIP OF RANDOLPH

COUNTY OF MORRIS

REPORT OF AUDIT

2020

TOWNSHIP OF RANDOLPH
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2020

<u>Part I – Financial Statements and Supplementary Data</u>	<u>Page</u>
Independent Auditors' Report	1-3
<u>Financial Statements</u>	
<u>Current Fund</u>	
Comparative Balance Sheet – Regulatory Basis	A
Comparative Statement of Operations and Change in Fund Balance – Regulatory Basis	A-1
Statement of Revenue – Regulatory Basis	A-2
Statement of Expenditures – Regulatory Basis	A-3
<u>Trust Funds</u>	
Comparative Balance Sheet – Regulatory Basis	B
Statement of Fund Balance - Other Trust Funds – Regulatory Basis	B-1
Statement of Fund Balance - Assessment Trust Fund – Regulatory Basis	B-1a
Statement of Revenue - Assessment Trust Fund – Regulatory Basis (Not Applicable)	B-2
Statement of Expenditures - Assessment Trust Fund – Regulatory Basis (Not Applicable)	B-3
<u>General Capital Fund</u>	
Comparative Balance Sheet – Regulatory Basis	C
Statement of Fund Balance – Regulatory Basis	C-1
<u>Public Assistance Fund</u>	
Comparative Balance Sheet – Regulatory Basis	F
<u>General Fixed Assets Account Group</u>	
Comparative Balance Sheet – Regulatory Basis	H
<u>Swimming Pool Utility Fund</u>	
Comparative Balance Sheet – Regulatory Basis	I
Comparative Statement of Operations and Change in Fund Balance – Regulatory Basis	I-1
Statement of Revenue – Regulatory Basis	I-2
Statement of Expenditures – Regulatory Basis (Not Applicable)	I-3
	<u>Page</u>
<u>Notes to Financial Statements</u>	1-30
	<u>Schedule</u>
<u>Supplementary Data</u>	
Schedule of Officials in Office and Surety Bonds	1
<u>Current Fund</u>	
Schedule of Cash	A-4
Schedule of Cash - Collector	A-5
Schedule of Federal and State Grants Receivable - Federal and State Grant Fund	A-6
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-7
Schedule of Tax Title Liens Receivable	A-8
Schedule of Revenue Accounts Receivable	A-9
Schedule of Water and Sewer Rents Receivable	A-10
Schedule of 2019 Appropriation Reserves	A-11
Schedule of Local School District Taxes Payable	A-12
Schedule of Appropriated Reserves - Federal and State Grant Fund	A-13
Schedule of Unappropriated Reserves - Federal and State Grant Fund	A-14

TOWNSHIP OF RANDOLPH
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

<u>Part I – Financial Statements and Supplementary Data (Cont'd)</u>	<u>Schedule</u>
<u>Supplementary Data (Cont'd)</u>	
<u>Trust Funds</u>	
Schedule of Cash	B-4
Analysis of Cash - Assessment Trust Fund	B-5
Schedule of Assessment Receivable - Assessment Trust Fund	B-6
Schedule of Reserve for Animal Control Fund Expenditures - Animal Control Fund	B-7
<u>General Capital Fund</u>	
Schedule of Cash	C-2
Analysis of Cash	C-3
Schedule of Deferred Charges to Future Taxation - Unfunded	C-4
Schedule of Improvement Authorizations	C-5
Schedule of Capital Improvement Fund	C-6
Schedule of Bond Anticipation Notes Payable (Not Applicable)	C-7
Schedule of Serial Bonds Payable	C-8
Schedule of Bonds and Notes Authorized but not Issued	C-9
<u>Public Assistance Fund</u>	
Schedule of Cash - Treasurer	F-1
<u>Swimming Pool Utility Fund</u>	
Schedule of Cash - Treasurer	I-4
	<u>Page</u>
<u>Part II – Single Audit</u>	
Schedule of Expenditures of Federal Awards	1
Schedule of Expenditures of State Awards	2
Notes to Schedules of Expenditures of Federal and State Awards	3
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	4-5
Schedule of Findings and Responses	6
Summary Schedule of Prior Audit Findings	7
	<u>Page</u>
<u>Part III – Comments and Recommendations</u>	
Comments and Recommendations	8-11
Summary of Recommendations	12

TOWNSHIP OF RANDOLPH

PART I

FINANCIAL STATEMENTS AND

SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2020



200 Valley Road, Suite 300
Mt. Arlington, NJ 07856
973.298.8500

11 Lawrence Road
Newton, NJ 07860
973.383.6699

nisivoccia.com

Independent Member
BKR International

Independent Auditors' Report

The Honorable Mayor and Members
of the Township Council
Township of Randolph
Randolph, New Jersey

Report on the Financial Statements

We have audited the financial statements – *regulatory basis* - of the various funds of the Township of Randolph, in the County of Morris (the "Township") as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Honorable Mayor and Members
of the Township Council
Township of Randolph
Page 2

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the Township on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly in accordance with accounting principles generally accepted in the United States of America the financial position of each fund of the Township as of December 31, 2020 and 2019, or the changes in financial position or where applicable, cash flows thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements – *regulatory basis* - referred to above present fairly, in all material respects, the financial position of the various funds of the Township of Randolph at December 31, 2020 and 2019, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended on the basis of the accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of account and the budget laws of New Jersey, as described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds that collectively comprise the Township's financial statements. . The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary data schedules and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the various fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund financial statements or to the various fund financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

The Honorable Mayor and Members
of the Township Council
Township of Randolph
Page 3

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2021 on our consideration of the Township of Randolph's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Randolph's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
June 3, 2021

Nisivoccia, LLP

NISIVOCCIA LLP

Kathryn L. Mantell

Kathryn L. Mantell

Registered Municipal Accountant #447

Certified Public Accountant

TOWNSHIP OF RANDOLPH
COUNTY OF MORRIS
2020
CURRENT FUND

TOWNSHIP OF RANDOLPH
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>			
Regular Fund:			
Cash and Cash Equivalents	A-4	\$ 24,945,588.32	\$ 24,900,943.92
Change Funds		700.00	700.00
		<u>24,946,288.32</u>	<u>24,901,643.92</u>
Receivables and Other Assets With			
Full Reserves:			
Delinquent Property Taxes Receivable	A-7	723,224.98	871,955.21
Tax Title Liens Receivable	A-8	1,110,857.72	1,020,036.53
Water and Sewer Rents Receivable	A-10	632,267.82	424,923.98
Property Acquired for Taxes at Assessed Valuation		1,917,700.00	1,917,700.00
Revenue Accounts Receivable	A-9	6,695.44	16,542.04
Total Receivables and Other Assets			
With Full Reserves		<u>4,390,745.96</u>	<u>4,251,157.76</u>
Total Regular Fund		<u>29,337,034.28</u>	<u>29,152,801.68</u>
Federal and State Grant Fund:			
Cash and Cash Equivalents	A-4	206,923.64	240,829.49
Federal and State Grants Receivable	A-6	215,425.37	224,610.92
Total Federal and State Grant Fund		<u>422,349.01</u>	<u>465,440.41</u>
TOTAL ASSETS		<u><u>\$ 29,759,383.29</u></u>	<u><u>\$ 29,618,242.09</u></u>

TOWNSHIP OF RANDOLPH
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

		December 31,	
	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Liabilities:			
Appropriation Reserves:			
Unencumbered	A-3;A-11	\$ 2,839,110.86	\$ 2,852,663.50
Encumbered	A-3;A-11	1,745,342.65	1,582,211.02
Total Appropriation Reserves		4,584,453.51	4,434,874.52
Accounts Payable - Vendors		59,320.07	21,140.26
Contracts Payable - Housing Trust Fund		250,000.00	250,000.00
Prepaid Taxes		905,342.76	592,442.43
Prepaid Health Service Fees - Roxbury Township		71,915.00	71,342.00
Due to State of New Jersey:			
Building Surcharge Fees		9,887.00	11,388.00
Marriage Licenses Fees		925.00	825.00
Veterans' and Senior Citizens' Deductions		20,604.34	22,224.20
Reserve for:			
Revaluation			48,232.56
Pending Tax Appeals		548,452.70	561,655.18
		6,450,900.38	6,014,124.15
Reserve for Receivables and Other Assets	A	4,390,745.96	4,251,157.76
Fund Balance	A-1	18,495,387.94	18,887,519.77
Total Regular Fund		29,337,034.28	29,152,801.68
Federal and State Grant Fund:			
Appropriated Reserves	A-13	422,349.01	417,354.98
Unappropriated Reserves	A-14		48,085.43
Total Federal and State Grant Fund		422,349.01	465,440.41
TOTAL LIABILITIES, RESERVES AND FUND BALANCE			
		\$29,759,383.29	\$29,618,242.09

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPHCURRENT FUNDCOMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	Year Ended December 31,	
Ref.	2020	2019
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 7,909,563.00	\$ 7,313,342.00
Miscellaneous Revenue Anticipated	12,737,131.34	13,165,445.84
Receipts from:		
Delinquent Taxes	746,173.64	755,866.30
Current Taxes	113,370,948.91	111,723,268.76
Nonbudget Revenue	994,233.28	1,064,150.76
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	2,571,208.05	2,380,839.97
Interfunds Returned		3.24
Tax Sale Premiums Forfeited		24,000.00
Accounts Payable Cancelled	21,140.26	
Reserve for Revaluation Cancelled	48,232.56	
Total Income	138,398,631.04	136,426,916.87
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Municipal Purposes	38,115,355.93	37,706,761.69
County Taxes	11,959,993.94	11,952,104.67
Local School District Taxes	79,894,660.00	78,432,608.00
Open Space Trust Fund	911,190.00	909,198.00
Reserve for Pending Tax Appeals		50,421.78
Total Expenditures	130,881,199.87	129,051,094.14
Excess in Revenue	7,517,431.17	7,375,822.73
<u>Fund Balance</u>		
Balance January 1	18,887,519.77	18,825,039.04
	26,404,950.94	26,200,861.77
Decreased by:		
Utilized as Anticipated Revenue	7,909,563.00	7,313,342.00
Balance December 31	A \$18,495,387.94	\$18,887,519.77

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	Anticipated		Realized	Excess or Deficit *
	Budget	Added by NJSA 40A:4-87		
Fund Balance Anticipated	\$ 7,909,563.00		\$ 7,909,563.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	46,000.00		44,340.00	\$ 1,660.00 *
Other	39,300.00		39,050.00	250.00 *
Fees and Permits	298,000.00		330,876.66	32,876.66
Fines and Costs:				
Municipal Court	246,000.00		154,192.07	91,807.93 *
Interest and Costs on Taxes	159,999.57		163,829.97	3,830.40
Interest on Investments and Deposits	260,000.00		527,685.88	267,685.88
Recreation Fees	1,262,500.00		796,243.50	466,256.50 *
Cable Television Fee	365,000.00		359,526.06	5,473.94 *
Water and Sewer Fees	6,550,000.00		7,310,422.32	760,422.32
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	1,830,461.00		1,830,460.99	0.01 *
Watershed Moratorium Offset Aid	16,544.00		16,544.00	
Uniform Construction Code Fees	330,000.00		342,530.00	12,530.00
Electrical Inspection Fees	90,000.00		144,846.00	54,846.00
Shared Service Agreement:				
Health Services - Rockaway Borough	130,000.00		134,297.00	4,297.00
Health Services - Roxbury Township	71,000.00		71,342.00	342.00
Uniform Fire Safety Act	33,000.00		55,424.65	22,424.65
Reserve to Pay Debt Service	264,157.00		264,157.00	

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

	Anticipated			
	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *
Miscellaneous Revenue (Cont'd):				
State of NJ:				
Recycling Tonnage Grant	\$ 48,085.43		\$ 48,085.43	
Municipal Alliance on Alcohol and Drug Abuse		\$ 8,007.00	8,007.00	
Clean Communities Program		55,437.89	55,437.89	
NJACCHO COVID-19 Health Grant		35,479.15	35,479.15	
State Body Armor Grant		3,353.77	3,353.77	
Morris Arts Grant		1,000.00	1,000.00	
Total Miscellaneous Revenue	12,040,047.00	103,277.81	12,737,131.34	\$ 593,806.53
Receipts from Delinquent Taxes	550,000.00		746,173.64	196,173.64
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	19,612,277.13		22,004,913.23	2,392,636.10
Minimum Library Tax	1,522,546.31		1,522,546.31	
	21,134,823.44		23,527,459.54	2,392,636.10
Budget Totals	41,634,433.44	103,277.81	44,920,327.52	3,182,616.27
Nonbudget Revenue			994,233.28	994,233.28
	\$ 41,634,433.44	\$ 103,277.81	\$ 45,914,560.80	\$ 4,176,849.55

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue from Collection of Current Taxes		\$ 113,370,948.91
Allocated to:		
Local School District Taxes	\$ 79,894,660.00	
County Taxes	11,959,993.94	
Open Space Taxes	<u>911,190.00</u>	
		<u>92,765,843.94</u>
		20,605,104.97
Add: Appropriation "Reserve for Uncollected Taxes"		<u>2,922,354.57</u>
Realized for Support of Municipal Budget		<u><u>\$ 23,527,459.54</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 746,061.99
Tax Title Lien Collections	<u>111.65</u>
	<u><u>\$ 746,173.64</u></u>

Fees and Permits - Other:

Township Clerk	\$ 2,724.20
Health Officer	57,210.00
Board of Adjustment	7,235.00
Planning Board	49,986.16
Police	6,941.90
Engineering Fees	106,694.40
Registrar	29,200.00
Fire Prevention	<u>70,885.00</u>
	<u><u>\$ 330,876.66</u></u>

Licenses - Other

Township Clerk	\$ 2,390.00
Health Officer	36,345.00
Registrar	<u>315.00</u>
	<u><u>\$ 39,050.00</u></u>

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Analysis of Water and Sewer Fees

Water and Sewer Rents and Fees	\$ 7,146,807.32
Connection Fees	163,615.00
	<hr/>
Water and Sewer Rents and Fees	<u>\$ 7,310,422.32</u>

Analysis of Nonbudget Revenue

Treasurer:

Co-Op Memberships	\$ 253,041.72
Returned Check Fees	80.00
DMV Inspection Fines	6,080.00
Miscellaneous Refunds	44,864.58
Administrative Fee - Senior Citizens & Veterans Deductions	1,537.60
Health Dividends- NJMEBF	100,000.00
State of New Jersey Housing Inspections	443.00
CBS Billboard Leasing	54,240.40
Bids / Specs	5,322.00
Morris County Housing Authority	49,136.29
Payment in Lieu of Taxes (Skylands)	2,500.00
Cell Tower Receipts	3,748.17
Lease Payments	306,927.33
Interest on Water and Sewer Rents	23,076.45
Water and Sewer Miscellaneous Fees	29,974.60
Mine Hill Transmission Fee	113,251.14
	<hr/>
	994,223.28

Tax Collector	10.00
	<hr/>
	<u>\$ 994,233.28</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS":					
General Government:					
General Administration:					
Salaries and Wages	\$ 287,800.00	\$ 297,500.00	\$ 283,649.89	\$ 13,850.11	
Other Expenses	69,500.00	69,500.00	61,803.61	7,696.39	
Mayor and Council:					
Salaries and Wages	43,500.00	43,500.00	43,500.00		
Municipal Clerk:					
Salaries and Wages	234,100.00	234,100.00	181,513.45	52,586.55	
Other Expenses	153,825.00	153,825.00	121,430.02	32,394.98	
Financial Administration:					
Salaries and Wages	147,928.00	147,928.00	121,016.25	26,911.75	
Other Expenses	47,051.40	47,051.40	25,157.56	21,893.84	
Audit Services:					
Other Expenses	33,000.00	33,000.00	33,000.00		
Computerized Data Processing:					
Other Expenses	98,110.00	98,110.00	88,577.88	9,532.12	
Revenue Administration:					
Salaries and Wages	80,447.00	84,447.00	82,883.58	1,563.42	
Other Expenses	11,615.00	11,615.00	9,752.01	1,862.99	
Tax Assessment Administration:					
Salaries and Wages	156,535.00	156,535.00	152,970.40	3,564.60	
Other Expenses	25,200.00	25,200.00	17,312.08	7,887.92	
Legal Services and Costs:					
Other Expenses	398,080.00	398,080.00	351,507.05	46,572.95	

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Cont'd):					
General Government (Cont'd):					
Engineering Services and Costs:					
Salaries and Wages	\$ 95,517.00	\$ 95,517.00	\$ 93,122.77	\$ 2,394.23	
Other Expenses	77,500.00	77,500.00	73,868.35	3,631.65	
Economic Development Agencies:					
Other Expenses	1,850.00	1,850.00		1,850.00	
Land Use Administration:					
Planning Board:					
Salaries and Wages	208,376.00	208,376.00	178,419.35	29,956.65	
Other Expenses	47,210.00	47,210.00	21,960.19	25,249.81	
Public Safety:					
Police Department:					
Salaries and Wages	4,362,124.00	4,362,124.00	3,912,562.82	449,561.18	
Other Expenses	277,600.00	277,600.00	250,692.98	26,907.02	
Police Dispatch/ 911:					
Other Expenses	324,924.00	324,924.00	320,523.66	4,400.34	
Office of Emergency Management:					
Salaries and Wages	8,200.00	8,200.00	8,000.00	200.00	
Other Expenses	8,500.00	8,500.00	7,218.54	1,281.46	
Aid to Volunteer Fire Companies:					
Other Expenses	70,000.00	70,000.00	70,000.00		
Aid to Volunteer Ambulance Companies:					
Other Expenses	70,000.00	70,000.00	60,400.00	9,600.00	

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Cont'd):					
Public Safety: (Cont'd)					
Fire Department (Including Fire Prevention/ Uniform Fire Code):					
Salaries and Wages	\$ 111,938.00	\$ 111,938.00	\$ 109,809.95	\$ 2,128.05	
Other Expenses	273,300.00	273,300.00	258,179.24	15,120.76	
Fire Hydrant Service	15,000.00	15,000.00	4,650.29	10,349.71	
Uniform Fire Safety Act (Ch. 383, P.L. 1983):					
Salaries and Wages	33,000.00	33,000.00	33,000.00		
Municipal Prosecutor's Office:					
Other Expenses	31,000.00	31,000.00	31,000.00		
Public Works:					
Streets and Road Maintenance:					
Salaries and Wages	829,540.00	829,540.00	668,814.22	160,725.78	
Other Expenses	124,500.00	124,500.00	89,370.66	35,129.34	
Water and Sewer:					
Salaries and Wages	1,238,426.00	1,233,426.00	1,146,936.78	86,489.22	
Other Expenses	381,500.00	386,500.00	368,945.64	17,554.36	
Audit Services	15,550.00	15,550.00	15,550.00		
Vehicle Maintenance	21,500.00	21,500.00	12,696.96	8,803.04	
Electricity	61,000.00	61,000.00	49,009.09	11,990.91	
Telephone	8,300.00	8,300.00	6,408.39	1,891.61	
Gasoline	40,000.00	40,000.00	40,000.00		
Gas (Natural or Propane)	6,000.00	6,000.00	6,000.00		
Solid Waste Collection:					
Other Expenses	2,104,715.00	2,104,715.00	2,104,715.00		

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Cont'd):					
Public Works (Cont'd):					
Recycling:					
Salaries and Wages	\$ 248,000.00	\$ 248,000.00	\$ 233,119.56	\$ 14,880.44	
Other Expenses	334,500.00	424,500.00	414,310.74	10,189.26	
Buildings and Grounds:					
Salaries and Wages	80,177.00	91,677.00	88,651.76	3,025.24	
Other Expenses	334,250.00	351,250.00	337,117.47	14,132.53	
Vehicle Maintenance (Including Police Vehicles):					
Salaries and Wages	206,456.00	206,456.00	169,352.91	37,103.09	
Other Expenses	338,100.00	338,100.00	272,050.43	66,049.57	
Community Services Act (Condominium Community Costs):					
Other Expenses	8,500.00	8,500.00		8,500.00	
Snow Removal:					
Salaries and Wages	100,000.00	100,000.00	39,445.14	60,554.86	
Other Expenses	331,000.00	331,000.00	218,549.70	112,450.30	
Recycling Tax	30,265.00	30,265.00	30,265.00		
Health and Human Services:					
Public Health Services (Board of Health):					
Salaries and Wages	407,411.00	407,411.00	261,291.04	146,119.96	
Other Expenses	86,880.00	86,880.00	71,850.81	15,029.19	
Animal Control Services:					
Salaries and Wages	59,006.00	64,006.00	64,006.00		

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Cont'd):					
Parks and Recreation:					
Recreation Services and Programs:					
Salaries and Wages	\$ 873,948.00	\$ 873,948.00	\$ 629,101.82	\$ 38,846.18	\$ 206,000.00
Other Expenses	941,250.00	941,250.00	662,284.24	278,965.76	
Maintenance of Parks:					
Salaries and Wages	535,994.00	535,994.00	495,656.47	40,337.53	
Other Expenses	98,500.00	98,500.00	94,610.41	3,889.59	
Utility Expenses and Bulk Purchases:					
Electricity:					
Other Expenses	120,000.00	120,000.00	91,112.35	28,887.65	
Street Lighting:					
Other Expenses	65,000.00	65,000.00	49,432.83	15,567.17	
Telephone (excluding equipment acquisition):					
Other Expenses	153,300.00	153,300.00	135,072.52	18,227.48	
Gas (Natural or Propane):					
Other Expenses	100,000.00	100,000.00	69,491.44	30,508.56	
Gasoline:					
Other Expenses	260,000.00	260,000.00	229,589.32	30,410.68	
Celebration of Public Events:					
Other Expenses	53,000.00	53,000.00	3,677.65	49,322.35	
Municipal Alliance:					
Salaries and Wages	7,500.00	7,500.00	7,500.00		
Other Expenses	7,500.00	7,500.00	7,500.00		
Landmarks Committee:					
Other Expenses	1,200.00	1,200.00		1,200.00	

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Cont'd):					
Municipal Court:					
Salaries and Wages	\$ 324,592.00	\$ 324,592.00	\$ 302,802.53	\$ 21,789.47	
Other Expenses	19,780.00	19,780.00	13,197.71	6,582.29	
Public Defender:					
Other Expenses	100.00	5,100.00	5,000.00	100.00	
General Liability Insurance	535,138.00	535,138.00	486,351.29	48,786.71	
Workers Compensation Insurance	362,200.00	362,200.00	325,970.00	36,230.00	
Employee Group Health Insurance	4,290,705.09	4,145,705.09	3,968,238.98	177,466.11	
Health Benefits Waiver	106,394.64	106,394.64	105,676.08	718.56	
Wellness Program	1,500.00	1,500.00	895.00	605.00	
Uniform Construction Code:					
Salaries and Wages	266,108.00	266,108.00	238,614.56	27,493.44	
Other Expenses	3,850.00	3,850.00	1,340.19	2,509.81	
Electrical Inspections	90,000.00	90,000.00	90,000.00		
Total Operations Within "CAPS"	24,415,866.13	24,413,066.13	21,729,054.61	2,478,011.52	\$ 206,000.00
Contingent	100.00	100.00		100.00	
Total Operations Including Contingent Within "CAPS"	24,415,966.13	24,413,166.13	21,729,054.61	2,478,111.52	206,000.00
Detail:					
Salaries and Wages	10,946,623.00	10,971,823.00	9,545,741.25	1,220,081.75	206,000.00
Other Expenses	13,469,343.13	13,441,343.13	12,183,313.36	1,258,029.77	

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Deferred Charges and Statutory Expenditures- Municipal within "CAPS":					
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	\$ 776,262.00	\$ 776,262.00	\$ 775,907.00	\$ 355.00	
Social Security System (O.A.S.I.)	570,000.00	570,000.00	538,819.21	31,180.79	
Police and Firemen's Retirement System of NJ	1,079,191.00	1,079,191.00	1,079,191.00		
Defined Contribution Retirement Program	18,000.00	20,800.00	20,401.46	398.54	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	2,443,453.00	2,446,253.00	2,414,318.67	31,934.33	
Total General Appropriations for Municipal Purposes Within "CAPS"	26,859,419.13	26,859,419.13	24,143,373.28	2,510,045.85	\$ 206,000.00
Operations Excluded from "CAPS":					
Municipal Library:					
Other Expenses	1,522,546.31	1,522,546.31	1,522,546.00	0.31	
Rockaway Valley Regional Sewerage Authority-Sewer Treatment:					
Other Expenses	1,400,000.00	1,400,000.00	1,102,704.28	297,295.72	
Morris Township - Sewer Treatment:					
Other Expenses	666,841.00	666,841.00	666,841.00		
Morris County MUA - Water Supply Services:					
Other Expenses	1,643,500.00	1,643,500.00	1,643,500.00		
Length of Service Award Program (LOSAP):					
Other Expenses	145,000.00	145,000.00	116,923.02	28,076.98	

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Excluded from "CAPS"(Cont'd):					
Shared Service Agreements:					
Rockaway Borough - Health Service (N.J.S.A. 26:3-19)	\$ 130,000.00	\$ 130,000.00	\$ 130,000.00		
Salaries and Wages					
Roxbury Township - Health Services (N.J.S.A. 26:3-19)	71,000.00	71,000.00	71,000.00		
Salaries and Wages					
Roxbury Township Construction Official Services	87,750.00	87,750.00	84,058.00	\$ 3,692.00	
Other Expenses					
Public and Private Programs Offset by Revenues:					
Municipal Alliance on Alcoholism and Drug Abuse:					
Other Expenses (N.J.S.A. 40A:4-87 + \$8,007.00)		8,007.00	8,007.00		
Recycling Tonnage Grant	48,085.43	48,085.43	48,085.43		
NJACCHO COVID-19 Health Grant:					
Other Expense (N.J.S.A. 40A:4-87 + \$35,479.15)		35,479.15	35,479.15		
Clean Communities Program:					
Other Expense (N.J.S.A. 40A:4-87 + \$55,437.89)		55,437.89	55,437.89		
Morris Arts Grant:					
Other Expense (N.J.S.A. 40A:4-87 + \$1,000.00)		1,000.00	1,000.00		
NJ Dept. of Law & Public Safety - Body Armor Fund					
Other Expense (N.J.S.A. 40A:4-87 + \$3,353.77)		3,353.77	3,353.77		
Total Operations Excluded from "CAPS"	5,714,722.74	5,818,000.55	5,488,935.54	329,065.01	

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Detail:	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Salaries and Wages	\$ 201,000.00	\$ 201,000.00	\$ 201,000.00		
Other Expenses	5,513,722.74	5,617,000.55	5,287,935.54	\$ 329,065.01	
Capital Improvements - Excluded from "CAPS": Capital Improvement Fund	3,739,500.00	3,739,500.00	3,245,500.00		\$ 494,000.00
Total Capital Improvements Excluded from "CAPS"	3,739,500.00	3,739,500.00	3,245,500.00		494,000.00
Municipal Debt Service Excluded from "CAPS": Payment of Bond Principal	925,000.00	925,000.00	925,000.00		
Interest on Bonds	473,437.00	473,437.00	473,436.25		0.75
Total Municipal Debt Service Excluded from "CAPS"	1,398,437.00	1,398,437.00	1,398,436.25		0.75
Deferred Charges - Municipal - Excluded from "CAPS": Deferred Charges to Future Taxation - Unfunded: Ordinance #23-15	1,000,000.00	1,000,000.00	1,000,000.00		
Total Deferred Charges - Municipal - Excluded from "CAPS"	1,000,000.00	1,000,000.00	1,000,000.00		
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	11,852,659.74	11,955,937.55	11,132,871.79	329,065.01	494,000.75
Subtotal General Appropriations	38,712,078.87	38,815,356.68	35,276,245.07	2,839,110.86	700,000.75
Reserve for Uncollected Taxes	2,922,354.57	2,922,354.57	2,922,354.57		
Total General Appropriations	\$ 41,634,433.44	\$ 41,737,711.25	\$ 38,198,599.64	\$ 2,839,110.86	\$ 700,000.75
				A	

TOWNSHIP OF RANDOLPH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020
(Continued)

	<u>Ref.</u>	<u>Analysis of</u>	
		<u>Budget After</u>	<u>Paid or</u>
		<u>Modification</u>	<u>Charged</u>
Adopted Budget		\$ 41,634,433.44	
Appropriation by N.J.S.A. 40A:4-87		<u>103,277.81</u>	
		<u>\$ 41,737,711.25</u>	
Cash Disbursed			\$ 34,651,891.92
Reserve for Uncollected Taxes			2,922,354.57
Encumbrances	A		1,745,342.65
Due to:			
Federal and State Grant Fund			<u>151,363.24</u>
			39,470,952.38
Less: Appropriation Refunds			<u>1,272,352.74</u>
			<u>\$ 38,198,599.64</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
COUNTY OF MORRIS
2020
TRUST FUNDS

TOWNSHIP OF RANDOLPH
TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents	B-4	\$ 18,070.78	\$ 7,723.49
	B-4	<u>18,070.78</u>	<u>7,723.49</u>
Assessment Trust Fund:			
Cash and Cash Equivalents	B-4	643,972.02	616,983.90
Assessments Receivable	B-6	388,512.34	494,911.14
		<u>1,032,484.36</u>	<u>1,111,895.04</u>
Unemployment Insurance Fund:			
Cash and Cash Equivalents	B-4	<u>137,943.13</u>	<u>120,023.70</u>
Long-Term Disability Fund:			
Cash and Cash Equivalents	B-4	<u>48,224.22</u>	<u>47,785.26</u>
Drug Enforcement Fund:			
Federal:			
Cash and Cash Equivalents	B-4	<u>29.95</u>	<u>29.95</u>
State:			
Cash and Cash Equivalents	B-4	<u>15,507.43</u>	<u>14,893.29</u>
Housing Trust Fund:			
Cash and Cash Equivalents	B-4	<u>208,596.94</u>	<u>802,236.87</u>
Open Space Trust Fund:			
Cash and Cash Equivalents	B-4	<u>778,161.83</u>	<u>805,565.29</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	<u>2,006,310.04</u>	<u>1,600,097.34</u>
TOTAL ASSETS		<u>\$ 4,245,328.68</u>	<u>\$ 4,510,250.23</u>

TOWNSHIP OF RANDOLPH
TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2020</u>	<u>2019</u>
Animal Control Fund:			
Due to State Board of Health		\$ 309.60	\$ 343.80
Reserve for International Fund for Animal Welfare Grant		5,784.14	5,784.14
Reserve for Animal Control Expenditures	B-7	11,977.04	1,595.55
		<u>18,070.78</u>	<u>7,723.49</u>
Assessment Trust Fund:			
Overpaid Assessments		569.64	569.64
Due Shongum Lake Association - State of NJ Wastewater Trust Loan Payable		476,415.52	555,826.20
Due Shongum Lake Association		27,336.28	27,336.28
Reserve for Unpaid Assessment - Shongum Dam		4,000.00	4,000.00
Reserve for Assessment Receivable		203,085.00	203,085.00
Fund Balance	B-1a	321,077.92	321,077.92
		<u>1,032,484.36</u>	<u>1,111,895.04</u>
Unemployment Insurance Fund:			
Reserve for Unemployment Insurance		<u>137,943.13</u>	<u>120,023.70</u>
Long-Term Disability Fund:			
Reserve for Long-Term Disability		<u>48,224.22</u>	<u>47,785.26</u>
Drug Enforcement Fund:			
Federal - Reserve for Drug Enforcement		<u>29.95</u>	<u>29.95</u>
State - Reserve for Drug Enforcement		<u>15,507.43</u>	<u>14,893.29</u>
Housing Trust Fund:			
Reserve for Housing Trust		<u>208,596.94</u>	<u>802,236.87</u>
Open Space Trust Fund:			
Reserve for Open Space Trust		<u>778,161.83</u>	<u>805,565.29</u>
Other Trust Funds:			
Reserve for Parking Offense Adjudication Act		2,924.82	2,820.82
Reserve for Special Deposits		336,691.99	175,729.47
Premiums on Tax Sale		923,000.00	430,700.00
Reserve for Public Defender		13,675.16	15,639.70
Reserve for Tree Bank Fund		43,951.04	43,951.04
Reserve for Police Special Detail		26,060.97	22,594.50
Reserve for Third Party Liens		0.01	12,533.61
Performance Bonds and Street Opening Deposits		660,005.05	896,127.20
Fund Balance	B-1	1.00	1.00
		<u>2,006,310.04</u>	<u>1,600,097.34</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 4,245,328.68</u>	<u>\$ 4,510,250.23</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
OTHER TRUST FUNDS
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>		
Balance December 31, 2019	B	\$	1.00
Balance December 31, 2020	B	\$	<u>1.00</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2019	B	\$ 321,077.92
Balance December 31, 2020	B	<u>\$ 321,077.92</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

NOT APPLICABLE

ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
COUNTY OF MORRIS
2020
GENERAL CAPITAL FUND

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

<u>ASSETS</u>	<u>Ref.</u>	December 31,	
		<u>2020</u>	<u>2019</u>
Cash and Cash Equivalents	C-2	\$ 12,931,521.53	\$ 11,918,222.12
Due from Habitat for Humanity		600,000.00	600,000.00
Due from Randolph Township Board of Education			30,000.00
NJ Department of Transportation Grant Receivable		154,000.00	217,500.00
Due from Denville Township		1,703.33	1,703.33
Due from Rockaway Township		1,703.33	1,703.33
Deferred Charges to Future Taxation:			
Funded		20,385,000.00	21,640,000.00
Unfunded	C-4	<u>2,349,100.00</u>	<u>3,026,100.00</u>
TOTAL ASSETS		<u>\$ 36,423,028.19</u>	<u>\$ 37,435,228.78</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds Payable	C-8	\$ 20,385,000.00	\$ 21,640,000.00
Improvement Authorizations:			
Funded	C-5	13,802,952.16	13,553,373.97
Unfunded	C-5	1,012,452.58	911,492.04
Capital Improvement Fund	C-6	415,301.43	412,492.89
Reserve for:			
Payment of Debt Service		247,382.01	357,929.87
In Lieu of Bikeway/Trails/Sidewalks		56,592.50	56,592.50
Preliminary Costs - Municipal Improvements		2,000.00	2,000.00
Preliminary Costs - Sewer Design		2,526.68	2,526.68
Fund Balance	C-1	<u>498,820.83</u>	<u>498,820.83</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 36,423,028.19</u>	<u>\$ 37,435,228.78</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2019	C	<u>\$ 498,820.83</u>
Balance December 31, 2020	C	<u><u>\$ 498,820.83</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
COUNTY OF MORRIS
2020
PUBLIC ASSISTANCE FUND

TOWNSHIP OF RANDOLPH
PUBLIC ASSISTANCE FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	F-1	\$ 9,485.57	\$ 9,485.57
TOTAL ASSETS		<u>\$ 9,485.57</u>	<u>\$ 9,485.57</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Reserve for Public Assistance Expenditures		<u>\$ 9,485.57</u>	<u>\$ 9,485.57</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 9,485.57</u>	<u>\$ 9,485.57</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
COUNTY OF MORRIS
2020
GENERAL FIXED ASSETS ACCOUNT GROUP

TOWNSHIP OF RANDOLPH
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	December 31,	
		(Restated)
	2020	2019
<u>ASSETS</u>		
Land	\$ 35,461,000.00	\$ 35,461,000.00
Buildings	15,581,879.00	15,581,879.00
Machinery, Equipment and Vehicles	16,859,960.00	16,325,681.00
<u>TOTAL ASSETS</u>	<u>\$ 67,902,839.00</u>	<u>\$ 67,368,560.00</u>
 <u>RESERVES</u>		
Investment in General Fixed Assets	\$ 67,902,839.00	\$ 67,368,560.00
<u>TOTAL RESERVES</u>	<u>\$ 67,902,839.00</u>	<u>\$ 67,368,560.00</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
COUNTY OF MORRIS
2020
SWIMMING POOL UTILITY FUND

TOWNSHIP OF RANDOLPH
SWIMMING POOL UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	I-4	<u>\$ 902.69</u>	<u>\$ 902.69</u>
Total Operating Fund		<u>902.69</u>	<u>902.69</u>
TOTAL ASSETS		<u><u>\$ 902.69</u></u>	<u><u>\$ 902.69</u></u>
<u>LIABILITIES AND FUND BALANCE</u>			
Operating Fund:			
Fund Balance	I-1	<u>\$ 902.69</u>	<u>\$ 902.69</u>
Total Operating Fund		<u>902.69</u>	<u>902.69</u>
TOTAL LIABILITIES AND FUND BALANCE		<u><u>\$ 902.69</u></u>	<u><u>\$ 902.69</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
SWIMMING POOL UTILITY FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS

	<u>Ref.</u>	Year Ended December 31,	
		<u>2020</u>	<u>2019</u>
<u>Revenue and Other Income Realized</u>			
Miscellaneous Revenue Not Anticipated		\$ 8.23	\$ 9.36
Total Income		<u>8.23</u>	<u>9.36</u>
Excess in Revenue		8.23	9.36
 <u>Fund Balance</u>			
Balance January 1		<u>894.46</u>	<u>885.10</u>
Balance December 31	I	<u><u>\$ 902.69</u></u>	<u><u>\$ 894.46</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
SWIMMING POOL UTILITY FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess</u>
Miscellaneous Revenue Not Anticipated	\$ -0-	\$ 8.23	\$ 8.23
	<u>\$ -0-</u>	<u>\$ 8.23</u>	<u>\$ 8.23</u>

Miscellaneous Revenue Not Anticipated:

Interest on Investments

\$ 8.23

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
SWIMMING POOL UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Township of Randolph include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Randolph, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Township of Randolph do not include the operations of the municipal library, or volunteer fire and first aid squads.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

The accounting policies of the Township of Randolph conform to the accounting practices applicable to municipalities which have been prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Randolph accounts for its financial transactions through the following separate funds:

Current Fund – Resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Funds – Receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

Assessment Trust Fund – Resources and expenditures for payment for Assessment Trust Fund debt in a prior year.

General Capital Fund – Receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Public Assistance Fund – Receipt and disbursement of funds that provide assistance to certain residents of the municipality pursuant to Title 44 of New Jersey statutes. The operations of the State funded General Assistance Program were transferred to the County of Morris.

Swimming Pool Utility Fund – Accounts for the operations and acquisition of capital facilities of the municipally owned swimming pool.

General Fixed Assets Account Group – These accounts were established with estimated values of land, building and certain fixed assets of the Township as discussed in Note 1E.

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The more significant accounting policies in New Jersey follow.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey and for the prepayment of future year's revenue. Grant revenue is realized in the operating funds when it is budgeted and in the capital funds when improvements are authorized. The amounts recorded as property taxes receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are charged to operations based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

Had the Township's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, not when budgeted in the Current Fund or when improvements are authorized in the General Capital Fund; inventories would not be reflected as expenditures at the time of purchase; and the Township's net OPEB liability and net pension liability and related deferred inflows and outflows would be recorded

The cash basis of accounting is followed in the Other Trust Funds and Capital Funds.

- D. Deferred Charges to Future Taxation – The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means that debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget, by collecting a grant, by selling bonds, by issuing loans or through capital lease purchase agreements.

E. Other Significant Accounting Policies Include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments – Investments are stated at cost.

Grants Receivable – Grants receivable represent total grant awards less amounts collected to date. Because the amount of grants funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences – Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

Foreclosed Property – Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other Significant Accounting Policies Include: (Cont'd)

Interfunds – Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies – The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

General Fixed Assets Account Group – General fixed assets are recorded at historical cost or estimated historical cost. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided on general fixed assets.

The total value recorded for general fixed assets is offset by an “Investment in General Fixed Assets.” When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly.

Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current Fund and General Capital Fund. The values recorded in the General Fixed Assets Account Group and the Current and General Capital Funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

- F. Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for the Current operating and Open Space Trust Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Township during the year.

Note 2: Long-Term Debt

The Local Bond Law governs the issuance of bonds to finance general Township capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds. The Township’s full faith and credit and taxing power has been pledged to the payment of the general obligation debt principal and interest.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt

	December 31,		
	2020	2019	2018
<u>Issued</u>			
General:			
Bonds and Loans	\$ 20,385,000	\$ 21,640,000	\$ 23,029,832
Total Issued	<u>20,385,000</u>	<u>21,640,000</u>	<u>23,029,832</u>
Less: Funds Temporarily Held to Pay Bonds and Loans:			
Reserve to Pay Debt Service	247,382	357,930	427,686
Estimated Proceeds for sole purpose of paying bonds and notes	<u>3,885,250</u>	<u>4,130,250</u>	<u>4,365,250</u>
Total Deductions	<u>4,132,632</u>	<u>4,488,180</u>	<u>4,792,936</u>
Net Debt Issued	<u>16,252,368</u>	<u>17,151,820</u>	<u>18,236,896</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	<u>2,349,100</u>	<u>3,026,100</u>	<u>3,519,750</u>
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$ 18,601,468</u>	<u>\$ 20,177,920</u>	<u>\$ 21,756,646</u>

Summary of Municipal Debt Issued and Outstanding – Prior Year

	Balance 12/31/2018	Additions	Retirements	Balance 12/31/2019
General Capital Fund:				
Serial Bonds	\$ 22,775,000		\$ 1,135,000	\$ 21,640,000
Loans Payable:				
NJ Wastewater Treatment:				
Trust Loan - Denbrook	80,000		80,000	
NJ Green Acres Trust	<u>174,832</u>		<u>174,832</u>	
Total	<u>\$ 23,029,832</u>	<u>\$ -0-</u>	<u>\$ 1,389,832</u>	<u>\$ 21,640,000</u>

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt (Cont'd)

Summary of Municipal Debt Issued and Outstanding – Current Year

	Balance 12/31/2019	Additions	Retirements	Balance 12/31/2020
General Capital Fund:				
Serial Bonds	\$ 21,640,000		\$ 1,255,000	\$ 20,385,000
Total	<u>\$ 21,640,000</u>	<u>\$ -0-</u>	<u>\$ 1,255,000</u>	<u>\$ 20,385,000</u>

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .410%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 37,190,000	\$ 37,190,000	
General Debt	<u>22,734,100</u>	<u>4,132,632</u>	<u>\$ 18,601,468</u>
	<u>\$ 59,924,100</u>	<u>\$ 41,322,632</u>	<u>\$ 18,601,468</u>

Net Debt \$18,601,467.99 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$4,540,978,450.67 = .410%.

Borrowing Power Under N.J.S. 40A:2-6 As Amended

3-1/2% Average Equalized Valuation of Real Property	\$ 158,934,246
Net Debt	<u>18,601,468</u>
Remaining Borrowing Power	<u>\$ 140,332,778</u>

The foregoing information is in agreement with the Annual Debt Statement as filed by the Chief Financial Officer.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 2: Long-Term Debt (Cont'd)

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and Thereafter for Bonded Debt Issued and Outstanding

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,290,000.00	\$ 401,130.07	\$ 1,691,130.07
2022	1,335,000.00	377,399.02	1,712,399.02
2023	1,350,000.00	353,118.94	1,703,118.94
2024	1,365,000.00	328,688.86	1,693,688.86
2025	1,380,000.00	304,108.78	1,684,108.78
2026-2031	8,550,000.00	1,296,960.85	9,846,960.85
2032-2036	5,115,000.00	377,879.64	5,492,879.64
	<u>\$ 20,385,000.00</u>	<u>\$ 3,439,286.17</u>	<u>\$ 23,824,286.17</u>

Analysis of Debt Issued and Outstanding at December 31, 2020

General Capital Fund

Serial Bonds

<u>Purpose</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2020</u>
	<u>Outstanding Dec. 31, 2020</u>			
	<u>Date</u>	<u>Amount</u>		
General Bonds of 2015	2/1/21	\$ 750,000.00	3.000%	
	2/1/22	755,000.00	3.000%	
	2/1/23	760,000.00	3.000%	
	2/1/24	765,000.00	3.000%	
	2/1/25	770,000.00	3.000%	
	2/1/26	775,000.00	3.000%	
	2/1/27	780,000.00	3.000%	
	2/1/28	785,000.00	3.000%	
	2/1/29-31	790,000.00	3.000%	
	2/1/32-33	790,000.00	3.125%	
	2/1/34-35	790,000.00	3.250%	
	2/1/36	735,000.00	3.250%	
				<u>\$ 12,405,000.00</u>

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 2: Long-Term Debt (Cont'd)

Serial Bonds (Cont'd)

Purpose	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2020
	Outstanding Dec. 31, 2020 Date	Amount		
General Improvement Bonds 2018	10/15/21	\$ 540,000.00	2.500%	
	10/15/22	580,000.00	3.000%	
	10/15/23	590,000.00	3.000%	
	10/15/24	600,000.00	3.000%	
	10/15/25	610,000.00	4.000%	
	10/15/26	615,000.00	3.000%	
	10/15/27	625,000.00	3.000%	
	10/15/28	635,000.00	3.000%	
	10/15/29	645,000.00	3.000%	
	10/15/30	655,000.00	3.000%	
	10/15/31	665,000.00	3.000%	
	10/15/32	675,000.00	3.000%	
	10/15/33	545,000.00	3.125%	<u>\$ 7,980,000.00</u>
Total Serial Bonds				<u>\$ 20,385,000.00</u>

Note 3: Fund Balance Appropriated

Fund balance at December 31, 2020 which will be included in the Current Fund budget for the year ending December 31, 2021, is \$6,712,582.

Note 4: Local School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district. The Township has elected not to defer school taxes.

Note 5: Pension Plans

Township employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employee's Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/financial-reports.shtml.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a members retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier.

Tier 1 members can receive an unreduced benefit from age 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and are adjusted by the rate of return on the actuarial value of assets. Township contributions to PERS amounted to \$775,907 for 2020.

The employee contribution rate was 7.50% effective July 1, 2018.

Pension Liabilities and Pension Expense

At June 30, 2019, the Township's liability was \$14,435,169 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2019, the Township's proportion was .0796%, which was a decrease of 0.0013% from its proportion measured as of June 30, 2018.

The Township has rolled forward the net pension liability as of June 30, 2019 with no adjustments. The State of New Jersey Public Employees' Retirement System (PERS) valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities to include the June 30, 2019 pension information in the Notes to the Financial Statements as the June 30, 2020 pension information has not been released as of the date of this audit.

For the year ended December 31, 2020, the Township recognized actual pension expense in the amount of \$775,907.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Actuarial Assumptions

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 – 6.00% based on years of service
Thereafter	3.00 – 7.00% based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and a 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2019 are summarized in the table on the following page.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return (Cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Management Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Market Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Discount Rate

The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the contribution rate in the most recent fiscal year. The local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Township's proportionate share of the collective net pension liability as of June 30, 2019 calculated using the discount rate as disclosed below, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (5.28%)	At Current Discount Rate (6.28%)	At 1% Increase (7.28%)
Township's proportionate share of the Net Pension Liability	\$ 18,233,964	\$ 14,435,169	\$ 11,234,146

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Police and Firemen's Retirement System (PFRS)

Plan Description

The State of New Jersey Police and Firemen's Retirement System (PFRS), is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/financial-reports.shtml.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service.

The following represents the membership tiers for PFRS:

Tier	Definition
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Benefits Provided (Cont'd)

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Contributions

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing members. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of the retirement system, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual amounts over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of the assets.

Special Funding Situation

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specified financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. The June 30, 2019 State special funding situation net pension liability amount is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense for the fiscal year ended June 30, 2019 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2019. The pension expense is deemed to be a State administrative expense due to the special funding situation.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Special Funding Situation (Cont'd)

Township contributions to PFRS amounted to \$1,079,191 for the year ended December 31, 2019. During the fiscal year ended June 30, 2019, the State of New Jersey contributed \$139,106 to the PFRS for normal pension benefits on behalf of the Township, which is less than the contractually required contribution of \$243,105.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Pension Liabilities and Pension Expense

At June 30, 2019, the Township's liability for its proportionate share of the net pension liability was \$13,074,750. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2019, the Township's proportion was .1068%, which was a decrease of .0049% from its proportion measured as of June 30, 2018. The State of New Jersey Police and Firemen's Retirement System (PFRS) valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities to include the June 30, 2019 pension information in the Notes to the Financial Statements as the June 30, 2020 pension information has not been released as of the date of this audit.

Additionally, the State's proportionate share of the net pension liability attributable to the Township is \$2,064,528 as of June 30, 2019. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The State's proportionate share of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2019, the State's proportion was .1068%, which was a decrease of .0049% from its proportion measured as of June 30, 2018 which is the same proportion as the Township's. The Township has rolled forward the net pension liability as of June 30, 2019 with no adjustments. The State of New Jersey Police and Firemen's Retirement System (PFRS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation.

Township's Proportionate Share of the Net Pension Liability	\$ 13,074,750
State's Proportionate Share of the Net Pension Liability Associated with the Township	<u>2,064,528</u>
Total Net Pension Liability	<u>\$ 15,139,278</u>

For the year ended December 31, 2020, the Township recognized total pension expense of \$1,079,191.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Pension Liabilities and Pension Expense (Cont'd)

Actuarial Assumptions

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all Future Years	3.25% - 15.25% based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the RP-2010 Safety Employee Mortality Table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted Retiree mortality table with a 96.7% adjustment for males and a 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS' target asset allocation as of June 30, 2019 are summarized in the following table:

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Long Term Expected Rate of Return (Cont'd)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Risk Management Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Market Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Discount Rate – PFRS

The discount rate used to measure the total pension liability was 6.85% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates that contributions from employers and the nonemployer contributing entity will be made based on 70% of the actuarially contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2076. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2076, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Sensitivity of the Total Net Pension Liability (including the State's proportionate share of the net pension liability attributable to the Township) to Changes in the Discount Rate

The following presents the total net pension liability (including the State's proportionate share of the net pension liability attributable to the Township) as of June 30, 2019 calculated using the discount rate as disclosed above, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	1% Decrease (5.85%)	Current Discount Rate (6.85%)	1% Increase (7.85%)
Township's proportionate share of the NPL and the State's proportionate share of the Net Pension Liability associated with the Township	\$ 20,462,787	\$ 15,139,278	\$ 10,733,307

Pension Plan Fiduciary Net Position - PFRS

Detailed information about the PFRS's fiduciary net position is available in the separately issued PFRS financial statements.

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the Township recognized pension expense of \$20,401.46 and employee contributions to DCRP amounted to \$23,841 for the year ended December 31, 2020.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 6: Accrued Sick and Vacation Benefits

The Township permits employees to accrue a limited amount of unused vacation and sick pay, which may be taken as time off or paid upon retirement or separation at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$1,127,129.95. This amount is not reported either as an expenditure or a liability. It is expected that the cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used.

Note 7: Selected Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the prior year may be placed in lien at a tax sale held after April 1 and through December 31. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Tax Rate</u>	\$ 2.611	\$ 2.595	\$ 2.562
<u>Apportionment of Tax Rate</u>			
Municipal	.473	.486	.487
County	.268	.268	.257
Local School	1.841	1.812	1.788
County Open Space	.008	.008	.009
Municipal Open Space	.021	.021	.021
<u>Assessed Valuations</u>			
2020	<u>\$ 4,338,999,344</u>		
2019		<u>\$ 4,329,513,506</u>	
2018			<u>\$ 4,304,143,199</u>

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 7: Selected Tax Information (Cont'd)

Comparison of Tax Levies and Collection Currently

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

Year	Tax Levy	Currently	
		Cash Collections	Percentage of Collection
2020	\$ 114,110,597	\$ 113,370,949	99.35%
2019	112,656,410	111,722,865	99.17%
2018	111,054,665	110,177,351	99.21%

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

Note 8: Interfund Receivables and Payables

The Township had no interfund balances remaining on the various balance sheets at December 31, 2020.

Note 9: Cash and Cash Equivalents

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

Investments are stated at cost. The Township classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the Township in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Township ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Township limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following page.

Custodial Credit Risk – The Township's policy with respect to custodial credit risk requires that the Township ensures that Township funds are only deposited in financial institutions in which NJ municipalities are permitted to invest their funds.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 9: Cash and Cash Equivalents (Cont'd)

Deposits:

New Jersey statutes require that municipalities deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. Municipalities are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit, and

In addition to the above collateral requirement, if public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

New Jersey statutes permit the Township to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.) Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;
- (6) Local government investment pools;

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 9: Cash and Cash Equivalents (Cont'd)

Investments: (Cont'd)

- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983 c.313 (C.40A:5A-1 et seq.);
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2020, cash and cash equivalents of the Township of Randolph consisted of the following:

Fund	Cash on Hand	Savings and Checking Accounts	NJ Cash Manage- ment Fund	Totals
Current	\$ 700.00	\$24,945,495.08	\$ 93.24	\$24,946,288.32
Federal and State Grant		206,923.64		206,923.64
Animal Control		18,070.78		18,070.78
Assessment Trust		643,972.02		643,972.02
Unemployment Compensation		137,943.13		137,943.13
Long-Term Disability		48,224.22		48,224.22
Federal Drug Fund		29.95		29.95
State Drug Fund		15,507.43		15,507.43
Housing Trust		208,596.94		208,596.94
Open Space Trust		778,161.83		778,161.83
Trust		2,006,310.04		2,006,310.04
General Capital		12,931,521.53		12,931,521.53
Public Assistance		9,485.57		9,485.57
Swimming Pool Utility Operating		902.69		902.69
	<u>\$ 700.00</u>	<u>\$41,951,144.85</u>	<u>\$ 93.24</u>	<u>\$41,951,938.09</u>

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 9: Cash and Cash Equivalents (Cont'd)

Investments: (Cont'd)

During the period ended December 31, 2020, the Township did not hold any investments. The carrying amount of the Township's cash and cash equivalents at December 31, 2020, was \$41,951,938.09 and the bank balance was \$41,836,400.03. The \$93.24 in the NJ Cash Management Fund is uninsured and unregistered.

Note 10: Risk Management

Property and Liability

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Township of Randolph is a member of the Morris County Municipal Joint Insurance Fund (the "Fund"). This Fund is both an insured and self-administered group of municipalities established for the purpose of providing certain low-cost insurance coverage for member municipalities in order to keep local property taxes at a minimum.

The following coverages are offered by the Fund to its members:

- a.) Workers' Compensation and Employers' Liability
- b.) Liability Other Than Motor Vehicles
- c.) Property Damage Other Than Motor Vehicles
- d.) Motor Vehicle
- e.) Public Officials' Liability/Employment Practices Coverage
- f.) Environmental Coverage

As a member of the Fund, the Township could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

This Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 10: Risk Management (Cont'd)

The December 31, 2020 audit report for the Morris County Municipal Joint Insurance Fund is not filed as of the date of this audit. Summarized selected financial information for the Fund as of December 31, 2019 is as follows:

	<u>Morris County Municipal Joint Insurance Fund</u>
Total Assets	<u>\$ 35,348,941</u>
Net Position	<u>\$ 12,793,902</u>
Total Revenue	<u>\$ 20,767,037.00</u>
Total Expenses	<u>\$ 21,557,012</u>
Change in Net Position	<u>\$ (789,975)</u>
Member Dividends	<u>\$ -0-</u>

Financial statements for the Fund are available at the Office of the Executive Director:

Morris County Municipal Joint Insurance Fund
PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, New Jersey 07054
(201) 881-7632

Health Benefits

The Township of Randolph is also a member of the North Jersey Municipal Employee Benefits Fund, (the "NJMEBF"). The NJMEBF is both an insured and self-administered group of municipalities established for the purpose of providing certain employee benefits for member municipalities in order to keep local property taxes at a minimum.

The following health benefit coverages are offered by the NJMEBF to its members:

- a.) Medical
- b.) Prescription
- c.) Dental

As a member of the NJMEBF, the Township could be subject to supplemental assessments in the event of deficiencies. If the assets of the NJMEBF were to be exhausted, members would become responsible for their respective shares of the NJMEBF's liabilities.

The NJMEBF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 10: Risk Management (Cont'd)

Health Benefits (Cont'd)

The December 31, 2020 audit report for the North Jersey Municipal Employee Benefits Fund is not filed as of the date of this audit. Summarized selected financial information for the Fund as of December 31, 2019 is as follows:

	North Jersey Municipal Employee Benefits Fund
Total Assets	\$ 27,755,354
Net Position	\$ 24,024,780
Total Revenue	\$ 40,402,353
Total Expenses	\$ 35,276,204
Change in Net Position	\$ 1,026,149
Member Dividends	\$ 4,100,000

Financial statements for the NJMEBF are available at the Office of the Executive Director:

North Jersey Municipal Employee Benefits Fund
PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, New Jersey 07054
(201) 881-7632

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

The following is a summary of Township and employee contributions, interest earned and reimbursements to the State for benefits paid and the ending balance of the Township's expendable trust fund for the current and previous two years:

Year	Township/ Employee Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2018	\$ 16,567.54	\$ 853.81	\$ 19,331.15	\$ 129,227.02
2019	16,979.40	1,365.34	27,548.06	120,023.70
2020	17,297.84	1,169.27	547.68	137,943.13

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 11: Open Space Trust Fund

The Township created an Open Space Trust Fund with a tax levy of \$.02 per \$100 of assessed valuation in 1993. The funds collected are used to acquire and maintain open space property in the Township. The balances in the Open Space Trust Fund at December 31, 2020 **and 2019** were \$778,161.83 and \$805,565.29 respectively.

Note 12: Deferred Compensation Plan

The Township of Randolph offers its employees a deferred compensation plan (the "Plan") created in accordance with Section 457 of the Internal Revenue Code. The Plan, which is administered by ICMA Retirement Corp, is available to all Township employees and permits participants to defer a portion of their salary. The deferred compensation is not available to employees until termination, retirement, unforeseeable emergency, or upon death to their beneficiaries.

Note 13: Agreement with Shongum Lake Association

The Township entered into an agreement with the Shongum Lake Association for the construction of improvements associated with the Shongum Dam Restoration. The Township was a co-signer with the Shongum Lake Association for a loan with New Jersey Wastewater Treatment Trust. The Township confirmed a special assessment for all properties benefiting from the project and is responsible for the collection of the assessment and as a co-signer is contingently responsible for the repayment of the loan to New Jersey Wastewater Treatment Trust (in the event of the Association defaulting on repaying the loan.) Since the Township is not the primary party responsible for the debt, the loan was not recorded on the Township's financial statements.

Note 14: Commitments and Contingencies

The Township is periodically involved in various lawsuits arising in the normal course of business, including claims for property damage, personal injury, and various contract disputes. The Township is vigorously contesting these lawsuits and believes the ultimate resolution will not have a material adverse effect on their financial position.

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Township as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Township officials expect such amounts, if any, to be immaterial.

Various tax appeals on assessed valuations have been filed against the Township and are awaiting tax court decisions. The ultimate outcome and effect of such appeals have not been determined; however, the Township Tax Assessor will aggressively defend the Township's assessments. The Township has established a reserve of \$548,452.70 for this contingency.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 15: Economic Dependency

The Township receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Township's programs and activities.

Note 16: Post-Retirement Benefits other than Pensions (OPEB)

General Information about the Township's OPEB Plan

Plan Description and Benefits Provided

The provisions of Chapter 88, P.L. 1974, along with any Township approved ordinances and resolutions, provide the authority for the Township to offer post-employment health care benefits as detailed below.

The Township provides medical, prescription during, and dental to retirees and their covered dependents that meet the appropriate requirements. The Township provides Medicare Part B reimbursements to Policemen's Benevolent Association and Superior Officer Association retirees and their covered dependents after 25 years of service. All active employees who retire from the Township and meet the eligibility criteria receive these benefits. As of February 1, 2009, new hires are no longer eligible for lifetime post-employment health care benefits.

Employees are eligible to receive postretirement health benefits through the Township health plan by meeting either of the following criteria:

- 1 - Retires after 25 years or more of service in the State Pension Plan, or
- 2 - Retires at age 60 with at least 20 years of service in the State Pension Plan, or
- 3 - Retires at age 55 or older with at least 25 years of service in the State Pension Plan.

Contributions

The Township subsidizes 100% of the cost of coverage for current retirees meeting the requirements outlined above and for future retirees who have at least 25 years of service as of May 21, 2010. The Township will reimburse 100% of eligible Police Benevolent Association and Superior Officer Association retiree's Medicare Part B premiums.

NJ Chapter 78 requires that certain future retirees contribute toward the cost of their benefits. Specifically, those who had retired prior to passage of Chapter 78 and those employees that had more than 25 years of service on the date of passage are grandfathered. All others are subject to the contribution rates in effect when they retire, but not less than 1.5% of their annual retirement allowances from the Public Employees Retirement System. For purposes of this valuation and for conservatism, it was assumed that future retiree contribution percentage rates will not increase. Thus, it was assumed that a future retiree will contribute his/her current employee contribution as reported by the Township increased annually by the medical trend rate.

2020 employer contributions for retiree benefits paid by the Township were \$1.991 million for 140 retirees.

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 16: Post-Retirement Benefits other than Pensions (OPEB) (Cont'd)

Employees Covered by Benefit Terms

As of December 31, 2020, there were 140 retirees and spouses currently receiving retiree benefits and 110 active participants, of which 10 are eligible to retire as of the valuation date.

Total OPEB Liability

The Township's OPEB liability of \$84,692,055 was measured as of December 31, 2020 and was determined by an actuarial valuation as of December 31, 2020.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.12% at December 31, 2020; 2.74% at December 31, 2019
Salary Increases	2.50% per year
Inflation Assumptions	2.50% per year

The selected discount rate was based on the Bond Buyer 20 Index at December 31, 2020.

Health Care Trend Rates	Year	Medical	Drug
Ultimate Trend	2026	5.60%	5.00%

The medical trend rate reduces .1% per annum, leveling at 5% per annum in 2026.

The drug trend rate reduces .5% per annum to 2022 and 1.0% per annum thereafter, leveling at 5% per annum in 2026.

Mortality rates were based on the RP 2000 Combined Healthy Male Mortality Rates set forward one year and adjusted for generational improvement.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at January 1, 2019	\$ 79,469,632
Changes for Year:	
Service Cost	889,554
Interest Cost	2,176,100
Changes in Assumptions	4,035,725
Benefit Payments	<u>(1,878,956)</u>
Net Changes	<u>5,222,423</u>
Balance at December 31, 2019	<u>\$ 84,692,055</u>

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 16: Post-Retirement Benefits other than Pensions (OPEB) (Cont'd)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Township as well as what the Township's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage lower (1.12 percent) or 1 percentage higher (3.12 percent) than the current discount rate:

December 31, 2020			
	1% Decrease (1.12%)	Discount Rate (2.12%)	1% Increase (3.12%)
Total OPEB Liability	\$ 94,051,886	\$ 84,692,055	\$ 76,980,337

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Township as well as what the Township's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage lower or 1 percentage higher than the valuation healthcare cost trend rates:

December 31, 2020			
	1% Decrease	Valuation Healthcare Trend Rates	1% Increase
Total OPEB Liability	\$ 75,941,621	\$ 84,692,055	\$ 95,366,453

OPEB Expense

For the year ended December 31, 2020, the Township's OPEB expense was \$3,690,775 as determined by the actuarial valuation.

Note 17: Fixed Assets

The following is a summarization of the activity of the Township's fixed assets for the year ended December 31, 2020:

	(Restated) Balance Dec. 31, 2019	Additions	Deletions	Balance Dec. 31, 2020
Land	\$35,461,000.00			\$35,461,000.00
Buildings and Improvements	15,581,879.00			15,581,879.00
Equipment	16,325,681.00	\$ 534,279.00		16,859,960.00
	<u>\$67,368,560.00</u>	<u>\$ 534,279.00</u>	<u>\$ -0-</u>	<u>\$67,902,839.00</u>

TOWNSHIP OF RANDOLPH
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020
(Continued)

Note 18: Subsequent Event

The COVID-19 outbreak in the United States and specifically in New Jersey continues to have an impact on the Township's operations and finances. Public access to the municipal offices continues to be restricted. Though the impact on the Township's finances cannot be reasonably estimated at this date, the following is likely to continue through at least mid-year 2021: Interest on investments continues to be severely negatively impacted. Certain miscellaneous revenues continue to be lower than previous years.

TOWNSHIP OF RANDOLPH

SUPPLEMENTARY DATA

TOWNSHIP OF RANDOLPH
SCHEDULE OF OFFICIALS IN OFFICE AND SURETY BONDS
DECEMBER 31, 2020

The following officials were in office during the period under audit:

Name	Title	Amount of Bond	Name of Corporate or Personal Surety
Mark Forstenhausler	Mayor		
Marie Potter	Deputy Mayor		
Christine Carey	Councilman		
Joanne Veech	Councilman		
Lou Nisivoccia	Councilman		
James B. Loveys	Councilwoman		
Lance Tkacs	Councilman		
Stephen Mountain	Township Manager	*	
Donna Marie Luciani	Township Clerk	*	
Darren Maloney	Director of Finance	*	
Linda Roth	Tax Collector, Treasurer	\$ 1,000,000.00	Municipal Excess Liability JIF
Ira Cohen	Magistrate	*	
Christine Hopler	Court Administrator	*	
Rosemarie Jung	Deputy Court Administrator	*	
Briana Ramirez	Violations Clerk	*	
Wandaly Orama	Violations Clerk	*	
Marie Broughman	Zoning Officer	*	
Rod Schmidt	Construction Official	*	
Russ Newman	Parks and Recreation Director	*	
Mark Caputo	Health Officer	*	
Edward Buzak, Esq.	Township Attorney		
John Horan	Prosecutor		
Paul Ferriero	Consulting Engineer		

* Covered under a \$50,000.00 Public Employees Bond with the Morris County Municipal Joint Insurance Fund and \$950,000.00 Public Employees Bond with the Municipal Excess Liability Joint Insurance Fund.

All bonds were examined and were properly executed.

TOWNSHIP OF RANDOLPH
COUNTY OF MORRIS
2020
CURRENT FUND

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF CASH

	<u>Ref.</u>	<u>Regular Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2019	A	\$ 24,900,943.92	\$ 240,829.49
Increased by Receipts:			
Tax Collector		\$ 114,515,612.85	
Revenue Accounts Receivable		4,248,330.93	
Appropriation Refunds		1,272,352.74	
Appropriation Reserve Refunds		9,473.98	
Due from State of N.J. - Veterans' and Senior Citizens' Deductions		76,630.14	
Miscellaneous Revenue Not Anticipated		994,223.28	
Due to State of NJ:			
Building Surcharge Fees		33,639.00	
Marriage License Surcharge Fees		2,625.00	
Interest on Investments and Deposits		527,685.88	
Due from General Capital Fund:			
Anticipated Revenue - Reserve to Pay Debt Service		264,157.00	
Water and Sewer Revenue		7,310,422.32	
Prepaid Health Service Fees - Roxbury Township		71,915.00	
Federal and State Grants Receivable			
		<u>129,327,068.12</u>	<u>112,463.36</u>
		154,228,012.04	353,292.85

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF CASH
(Continued)

	<u>Ref.</u>	<u>Regular Fund</u>	<u>Federal and State Grant Fund</u>
Decreased by Disbursements:			
2020 Appropriation Expenditures		\$ 34,651,891.92	
2019 Appropriation Reserves		1,813,820.38	
County Taxes		11,959,993.94	
Local School District Taxes		79,894,660.00	
Due to:			
State of NJ - Building Surcharge Fees		35,140.00	
State of NJ - Marriage License Fees		2,525.00	
Reserve for Tax Appeals - Settled Appeals		13,202.48	
Due to Open Space Trust Fund		911,190.00	
Grant Fund Expenditures - Appropriated Reserves		<u>\$ 129,282,423.72</u>	<u>\$ 146,369.21</u>
Balance December 31, 2020	A	<u><u>\$ 24,945,588.32</u></u>	<u><u>\$ 206,923.64</u></u>

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2020

Increased by Receipts:

Taxes Receivable	\$ 113,446,318.47
Tax Title Liens	111.65
2021 Prepaid Taxes	905,342.76
Interest and Costs on Taxes	163,829.97
Miscellaneous Revenue Not Anticipated:	
Tax Searches	10.00
	<hr/>

\$ 114,515,612.85

Decreased by:

Payments to Treasurer	<hr/> <hr/> \$ 114,515,612.85
-----------------------	-------------------------------

TOWNSHIP OF RANDOLPH
FEDERAL AND STATE GRANT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

	Balance Dec. 31, 2019	2020 Realized Revenue	2020 Receipts	Balance Dec. 31, 2020
Municipal Alliance Program	\$ 19,248.00	\$ 8,007.00	\$ 7,584.32	\$ 19,670.68
Clean Communities Program		55,437.89	55,437.89	
NJACCHO COVID-19		35,479.15	35,331.38	147.77
Body Armor Replacement Program		3,353.77	3,353.77	
Bulletproof Vest Program	16,712.92		9,856.00	6,856.92
Morris Arts Grant	100.00	1,000.00	900.00	200.00
Morris Economic Development Grant	1,000.00			1,000.00
Highlands Water Protection and Planning Council Grant	20,050.00			20,050.00
New Jersey Highlands Grant	167,500.00			167,500.00
	<u>\$ 224,610.92</u>	<u>\$ 103,277.81</u>	<u>\$ 112,463.36</u>	<u>\$ 215,425.37</u>
<u>Ref.</u>	A			A

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec.31, 2019	2020 Levy	Added Taxes	2019	Collections	2020	State of NJ Veterans' and Senior Citizens' Deductions	Cancelled	Transferred to Tax Title Liens	Balance Dec.31, 2020
2010	\$ 541.63									\$ 541.63
2011	562.13									562.13
2012	562.82		\$ 11.24							574.06
2013	840.57		0.28							840.85
2014	857.96									857.96
2015	2,835.06									2,835.06
2016	8,710.80									8,710.80
2017	2,919.62									2,919.62
2018	40,359.89							\$ 13,034.54		27,325.35
2019	813,764.73					\$ 746,061.99		26,837.88	\$ 252.29	40,612.57
	871,955.21		11.52			746,061.99		39,872.42	252.29	85,780.03
2020	\$ 871,955.21	\$ 114,110,597.39		\$ 592,442.43		112,700,256.48	\$ 78,250.00	11,561.58	90,641.95	637,444.95
			11.52	\$ 592,442.43		113,446,318.47	\$ 78,250.00	\$ 51,434.00	\$ 90,894.24	\$ 723,224.98
Ref.	A									A

Analysis of 2020 Property Tax Levy

Tax Yield:

General Purpose Tax
 Business Personal Property Taxes
 Added and Omitted Taxes

\$ 113,748,598.98
 150,153.78
 211,844.63
\$ 114,110,597.39

Tax Levy:

Local School District Taxes
 Open Space Taxes
 County Taxes
 Due County for Added and Omitted Taxes

79,894,660.00
 911,190.00
 \$ 11,937,716.81
 22,277.13
11,959,993.94
92,765,843.94

Local Tax for Municipal Purposes Levied
 Minimum Library Tax
 Add: Additional Tax Levied

19,612,277.13
 1,522,546.31
 209,930.01
21,344,753.45
\$ 114,110,597.39

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2019	A	\$ 1,020,036.53
Increased by:		
Interest and Costs on Tax Sale		\$ 38.60
Transfer from Taxes Receivable		90,894.24
		<u>90,932.84</u>
		1,110,969.37
Decreased by:		
Cash Collections		111.65
		<u>111.65</u>
Balance December 31, 2020	A	<u><u>\$ 1,110,857.72</u></u>

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2019	Accrued In 2020	Collected by Treasurer	Balance Dec. 31, 2020
Clerk:				
Licenses:				
Alcoholic Beverages	\$	44,340.00	\$	44,340.00
Other		2,390.00		2,390.00
Fees and Permits		2,724.20		2,724.20
Health Officer:				
Licenses		36,345.00		36,345.00
Fees and Permits		57,210.00		57,210.00
Construction Code Official:				
Fees and Permits		342,530.00		342,530.00
Municipal Court:				
Fines and Costs	\$	144,345.47	\$	154,192.07
Board of Adjustment:				
Fees and Permits		7,235.00		7,235.00
Planning Board:				
Fees and Permits		49,986.16		49,986.16
Police Department:				
Fees and Permits		6,941.90		6,941.90
Fire Prevention:				
Fees and Permits		70,885.00		70,885.00
Energy Receipts Tax		1,830,460.99		1,830,460.99
Watershed Moratorium Offset Aid		16,544.00		16,544.00
Recreation Fees		796,243.50		796,243.50

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
(Continued)

	Balance Dec. 31, 2019	Accrued In 2020	Collected by Treasurer	Balance Dec. 31, 2020
Registrar:				
Licenses	\$	315.00	\$ 315.00	
Fees and Permits		29,200.00	29,200.00	
Cable TV - Fees		359,526.06	359,526.06	
Electrical Inspection Fees		144,846.00	144,846.00	
Engineering Fees:				
Fees and Permits		106,694.40	106,694.40	
Uniform Fire Safety Act - Code Fees		55,424.65	55,424.65	
Shared Service Agreement:				
Health Services - Rockaway Borough		134,297.00	134,297.00	
	<u>\$ 16,542.04</u>	<u>\$ 4,238,484.33</u>	<u>\$ 4,248,330.93</u>	<u>\$ 6,695.44</u>

Ref. A A

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF WATER AND SEWER RENTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2019	A	\$ 424,923.98
Increased by:		
Water and Sewer Rents Levied	\$ 7,354,151.16	
Connection Fees	163,615.00	
		7,517,766.16
		7,942,690.14
Decreased by:		
Collections	7,146,807.32	
Connection Fees	163,615.00	
		7,310,422.32
Balance December 31, 2020	A	\$ 632,267.82

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF 2019 APPROPRIATION RESERVES
YEAR ENDING DECEMBER 31, 2020

	Balance Dec. 31, 2019	Budget after Modification	Paid or Charged	Balance Lapsed
General Government:				
General Administration:				
Salaries and Wages	\$ 18,484.74	\$ 18,484.74	\$ 9,809.77	\$ 8,674.97
Other Expenses	12,764.87	12,764.87	4,042.68	8,722.19
Municipal Clerk:				
Salaries and Wages	2,586.17	2,586.17	2,576.70	9.47
Other Expenses	19,321.45	19,321.45	7,941.34	11,380.11
Financial Administration:				
Salaries and Wages	20,594.14	20,594.14	7,314.72	13,279.42
Other Expenses	15,374.69	15,374.69	1,756.25	13,618.44
Audit Services:				
Other Expenses	1,240.00	1,240.00		1,240.00
Computerized Data Processing:				
Other Expenses	16,385.07	16,385.07	10,631.86	5,753.21
Revenue Administration:				
Salaries and Wages	347.35	347.35	333.30	14.05
Other Expenses	1,643.15	1,643.15	48.68	1,594.47
Tax Assessment Administration:				
Salaries and Wages	2,332.73	2,332.73	2,332.72	0.01
Other Expenses	16,112.22	16,112.22	4,959.62	11,152.60
Legal Services and Costs:				
Other Expenses	51,875.12	51,875.12	12,063.93	39,811.19
Engineering Services and Cost:				
Salaries and Wages	4,297.31	4,297.31	4,118.42	178.89
Other Expenses	20,292.81	20,292.81	15,898.95	4,393.86
Economic Development Agencies:				
Other Expenses	1,052.13	1,052.13		1,052.13
Land Use Administration:				
Planning Board:				
Salaries and Wages	21,002.60	21,002.60	10,625.08	10,377.52
Other Expenses	41,213.28	41,213.28	26,257.36	14,955.92
Public Safety:				
Police Department:				
Salaries and Wages	361,211.67	361,211.67	69,403.59	291,808.08
Other Expenses	111,823.78	111,823.78	95,130.61	16,693.17
Police Dispatch/911:				
Other Expenses	7,400.34	7,400.34		7,400.34
Office of Emergency Management:				
Salaries and Wages	200.00	200.00		200.00
Other Expenses	3,522.45	3,522.45	754.51	2,767.94
Aid to Volunteer Fire Companies				
Other Expenses	9,500.00	9,500.00		9,500.00

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF 2019 APPROPRIATION RESERVES
YEAR ENDING DECEMBER 31, 2020

	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Budget after</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Public Safety (Cont'd):				
Fire Departments:				
Salaries and Wages	\$ 1,932.74	\$ 1,932.74	\$ 1,902.78	\$ 29.96
Other Expenses	44,161.73	44,161.73	18,610.61	25,551.12
Municipal Prosecutor's Office:				
Other Expenses	4,000.00	4,000.00		4,000.00
Public Works:				
Street and Road Maintenance:				
Salaries and Wages	217,180.00	217,180.00	15,139.82	202,040.18
Other Expenses	43,182.39	43,182.39	22,542.17	20,640.22
Solid Waste Collection:				
Other Expenses	173,374.00	173,374.00	173,374.00	
Water and Sewer:				
Salaries and Wages	15,122.86	15,122.86	14,876.20	246.66
Other Expenses	193,936.13	193,936.13	125,022.51	68,913.62
Vehicle Maintenance	4,290.88	4,290.88	2,336.29	1,954.59
Electricity	8,349.57	8,349.57	6,018.43	2,331.14
Telephone	3,406.14	3,406.14	359.13	3,047.01
Gasoline	6,032.18	6,032.18		6,032.18
Gas (natural or propane)	201.83	201.83	176.90	24.93
Recycling:				
Salaries and Wages	9,324.64	9,324.64	6,261.00	3,063.64
Other Expenses	147,432.98	171,432.98	163,042.35	8,390.63
Buildings and Grounds:				
Salaries and Wages	654.69	654.69	578.60	76.09
Other Expenses	118,042.95	118,042.95	109,154.18	8,888.77
Vehicle Maintenance (Including				
Police Vehicles):				
Salaries and Wages	6,334.33	6,334.33	4,363.92	1,970.41
Other Expenses	305,779.54	305,779.54	253,040.66	52,738.88
Community Services Act (Condominium				
Community Costs):				
Other Expenses	8,000.00	8,000.00	7,850.19	149.81
Snow Removal:				
Other Expenses	305,949.34	305,949.34	305,949.34	
Health and Human Services:				
Public Health Services:				
Salaries and Wages	8,443.08	8,443.08	8,402.50	40.58
Other Expenses	24,834.49	24,834.49	7,603.37	17,231.12

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF 2019 APPROPRIATION RESERVES
YEAR ENDING DECEMBER 31, 2020

	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Budget after</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Parks and Recreation:				
Recreation Services and Programs:				
Salaries and Wages	\$ 134,923.05	\$ 134,923.05	\$ 8,084.77	\$ 126,838.28
Other Expenses	261,451.89	261,451.89	121,965.71	139,486.18
Maintenance of Parks:				
Salaries and Wages	28,547.06	28,547.06	10,360.45	18,186.61
Other Expenses	14,952.92	14,952.92	4,893.48	10,059.44
Utility Expenses and Bulk Purchases:				
Electricity:				
Other Expenses	22,074.38	22,074.38	7,927.35	14,147.03
Street Lighting:				
Other Expenses	7,100.92	7,100.92	4,608.48	2,492.44
Telephone:				
Other Expenses	25,858.11	25,858.11	6,646.29	19,211.82
Gas (Natural or Propane):				
Other Expenses	20,125.40	20,125.40	4,972.39	15,153.01
Gasoline:				
Other Expenses	87,172.47	87,172.47	10,715.40	76,457.07
Other Costs:				
Celebration of Public Events:				
Other Expenses	297.00	297.00		297.00
Municipal Alliance:				
Other Expenses	1,500.00	1,500.00		1,500.00
Landmarks Committee:				
Other Expenses	935.00	935.00		935.00
Municipal Court:				
Salaries and Wages	22,143.82	22,143.82	4,444.88	17,698.94
Other Expenses	5,158.09	5,158.09	1,879.28	3,278.81
Public Defender (P.L. 1997, c. 256):				
Other Expenses	100.00	100.00		100.00
Insurance:				
Liability Insurance	64,031.31	64,031.31	962.00	63,069.31
Workers Compensation Insurance	18,220.00	18,220.00		18,220.00
Employee Group Health Insurance	502,261.38	478,261.38		478,261.38
Health Benefit Waiver	121.78	121.78		121.78
Wellness Program	982.80	982.80		982.80
Uniform Construction Code:				
Salaries and Wages	19,659.94	19,659.94	3,215.26	16,444.68
Other Expenses	2,325.13	2,325.13	2,241.10	84.03
Electrical Inspections	26,077.20	26,077.20	18,926.20	7,151.00

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF 2019 APPROPRIATION RESERVES
YEAR ENDING DECEMBER 31, 2020

	<u>Balance Dec. 31, 2019</u>	<u>Budget after Modification</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Contingent	\$ 100.00	\$ 100.00		\$ 100.00
Statutory Expenditures:				
Social Security	10,130.95	10,130.95	\$ 8,934.29	1,196.66
Municipal Library	0.05	0.05		0.05
Sewer Treatment:				
Other Expenses	556,218.00	556,218.00		556,218.00
Morris Township - Sewer Treatment:				
Other Expenses	412.73	412.73		412.73
Morris County MUA - Water Supply Services:				
Other Expenses	172,312.58	172,312.58	110,284.10	62,028.48
Length of Service Award Program (LOSAP):				
Other Expenses	19,136.00	19,136.00		19,136.00
	<u>\$ 4,434,874.52</u>	<u>\$ 4,434,874.52</u>	<u>\$ 1,863,666.47</u>	<u>\$ 2,571,208.05</u>

Ref.

Analysis of Balance December 31, 2019:

Unencumbered	A \$ 2,852,663.50
Encumbered	A <u>1,582,211.02</u>
	<u>\$ 4,434,874.52</u>

Cash Disbursed	\$ 1,813,820.38
Accounts Payable	59,320.07
Appropriation Reserve Refunds	<u>(9,473.98)</u>
	<u>\$ 1,863,666.47</u>

TOWNSHIP OF RANDOLPH
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2020

Increased by:

Levy - Calendar Year 2020

\$ 79,894,660.00

Decreased by:

Payments to Local School District

\$ 79,894,660.00

TOWNSHIP OF RANDOLPH
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

	Balance Dec.31, 2019	Transferred from 2020 Budget Appropriation	Paid or Charged	Balance Dec.31, 2020
Recycling Tonnage Grant	\$ 39,480.46	\$ 48,085.43	\$ 80,655.57	\$ 6,910.32
Drunk Driving Enforcement Fund	9,175.61		1,953.77	7,221.84
Municipal Alliance Program	13,792.08	8,007.00	6,620.97	15,178.11
Clean Communities Program	146,830.00	55,437.89	19,094.62	183,173.27
Body Armor Replacement Program		3,353.77		3,353.77
Bulletproof Vest Program	7,315.92		912.90	6,403.02
Tobacco Sale - Of-Age Grant	6,945.54			6,945.54
Hazardous Discharge Site Redemption Program	7,478.67			7,478.67
Highlands Council Planning Assistance Grant	400.00			400.00
Highlands Water Protection and Planning Council Grant	17,359.20			17,359.20
New Jersey Highlands Grant	166,077.50			166,077.50
NJACCHO COVID-19		35,479.15	35,331.38	147.77
Morris County Economic Development Grant	1,500.00			1,500.00
Morris Arts Grant	1,000.00	1,000.00	1,800.00	200.00
	<u>\$ 417,354.98</u>	<u>\$ 151,363.24</u>	<u>\$ 146,369.21</u>	<u>\$ 422,349.01</u>
Ref.	A			A
		Federal Grants	\$ 36,244.28	
		State Grants	108,324.93	
		Local Grants	1,800.00	
			<u>\$ 146,369.21</u>	

TOWNSHIP OF RANDOLPH
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2020

	Balance Dec. 31, 2019	Budget Revenue Realized	Balance Dec. 31, 2020
Recycling Tonnage Grant	\$ 48,085.43	\$ 48,085.43	\$ -0-
	<u>\$ 48,085.43</u>	<u>\$ 48,085.43</u>	<u>\$ -0-</u>
<u>Ref.</u>	A		A

TOWNSHIP OF RANDOLPH
COUNTY OF MORRIS
2020
TRUST FUNDS

TOWNSHIP OF RANDOLPH
TRUST FUNDS
SCHEDULE OF CASH

Ref.	Assessment Trust Fund	Animal Control Fund	Unemployment Insurance Fund	Long-Term Disability Fund	Drug Enforcement Fund Federal Share	State Share	Housing Trust Fund	Open Space Trust Fund	Other Trust Funds
B	\$ 616,983.90	\$ 7,723.49	\$ 120,023.70	\$ 47,785.26	\$ 29.95	\$ 14,893.29	\$ 802,236.87	\$ 805,565.29	\$ 1,600,097.34
Balance December 31, 2019									
Increased by Receipts:									
Township Fees		64,349.89							
State Board of Health - Registration Fees		2,957.40							
Other Towns - Pound Fees		51,770.80							
Assessments Receivable	106,398.80								
Interest			1,169.27	438.96		614.14	5,381.63	15,189.05	
Unemployment Insurance Deposits			17,297.84						
Open Space Reserve							49,926.00	911,190.00	
Development Fees									104.00
Reserve for Parking Offense Adjudication Act									109,265.49
Reserve for Performance Bonds and Street									726,200.00
Tax Sale Premiums									361,776.94
Third Party Liens									12,035.50
Public Defender									328,522.22
Reserve for Police Special Detail									364,586.80
Other Special Deposits									
Total Receipts	106,398.80	119,078.09	18,467.11	438.96		614.14	55,307.63	926,379.05	1,902,490.95
	723,382.70	126,801.58	138,490.81	48,224.22	29.95	15,507.43	857,544.50	1,731,944.34	3,502,588.29
Decreased by Disbursements:									
Expenditures Under R.S. 4:19-15.11		105,739.20							
Payments to State Board of Health		2,991.60							
Claims Paid			547.68				48,947.56		
Resere For Housing Trust Fund									
Due Shongum Lake Association -									
State of NJ Wastewater Loan Payable	79,410.68								
Due General Capital Fund:									
To Fund Improvement Authorizations									
Paydown on General Capital Serial Bonds								440,000.00	
Reserve for Open Space								330,000.00	
Reserve for Performance Bonds								183,782.51	
Tax Sale Premiums									345,387.64
Third Party Liens									233,900.00
Public Defender									374,310.54
Reserve for Police Special Detail									14,000.04
Other Special Deposits									325,055.75
									203,624.28
Total Disbursements	79,410.68	108,730.80	547.68				648,947.56	953,782.51	1,496,278.25
Balance December 31, 2020	\$ 643,972.02	\$ 18,070.78	\$ 137,943.13	\$ 48,224.22	\$ 29.95	\$ 15,507.43	\$ 208,596.94	\$ 778,161.83	\$ 2,006,310.04

TOWNSHIP OF RANDOLPH
ASSESSMENT TRUST FUND
ANALYSIS OF CASH

	Balance Dec. 31, 2019	Receipts	Disbursements	Balance Dec. 31, 2020
Due Shongum Lake Association	\$ 27,336.28			\$ 27,336.28
Due Shongum Lake Association - State of New Jersey Wastewater	264,000.06	\$ 62,969.29	\$ 79,410.68	247,558.67
Reserve for Unpaid Assessments	4,000.00			4,000.00
Overpaid Assessments	569.64			569.64
Fund Balance	321,077.92	43,429.51		364,507.43
	<u>\$ 616,983.90</u>	<u>\$ 106,398.80</u>	<u>\$ 79,410.68</u>	<u>\$ 643,972.02</u>

TOWNSHIP OF RANDOLPH
ASSESSMENT TRUST FUND
SCHEDULE OF ASSESSMENTS RECEIVABLE

Ord. Date	Improvement Description	Date of Confirmation	Annual Installments	Balance Dec. 31, 2019	Collected	Balance Dec. 31, 2020	Balance Pledged to	
							Reserve	Shongum Lake Association
06/26/01	Beech Road Water Line Extension	6/6/02	10	\$ 2,495.11	\$ 1,246.55	\$ 1,248.56	\$ 1,248.56	
10/11/02	Shongum Water Extension	4/7/05	10	4,810.11	2,266.76	2,543.35	2,543.35	
12/23/05	Shongum Lake Dam	9/4/08	18	291,826.14	62,969.29	228,856.85	43,429.51	\$ 185,427.34
5/6/10	Mac Spar Drive	2/1/17	10	195,779.78	39,916.20	155,863.58	155,863.58	
				<u>\$494,911.14</u>	<u>\$106,398.80</u>	<u>\$ 388,512.34</u>	<u>\$203,085.00</u>	<u>\$ 185,427.34</u>
		<u>Ref.</u>		B		B		
	Collection of Unpledged Assessments				\$ 43,429.51			
	Due to Shongum Lake Association				62,969.29			
					<u>\$106,398.80</u>			

TOWNSHIP OF RANDOLPH
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2019	B	\$ 1,595.55
Increased by:		
Township Fees		\$ 64,349.89
Other Towns - Pound Fees		51,770.80
		<u>116,120.69</u>
		117,716.24
Decreased by:		
Expenditures Under R.S.4:19-15.11:		<u>105,739.20</u>
Balance December 31, 2020	B	<u><u>\$ 11,977.04</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2018	\$ 54,611.00
2019	57,140.60
	<u>111,751.60</u>
Maximum Allowable Reserve	<u><u>\$ 111,751.60</u></u>

TOWNSHIP OF RANDOLPH
COUNTY OF MORRIS
2020
GENERAL CAPITAL FUND

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2019	C	\$ 11,918,222.12
Increased by:		
Current Year Improvement Authorization Refunds	\$ 59,145.71	
Due from Open Space Trust Fund	440,000.00	
Due from Housing Trust Fund	600,000.00	
Reserve for Payment of Debt Service	79,646.00	
NJ Department of Transportation Grant Receivable	217,500.00	
Due from Current Fund:		
Budget Appropriation:		
Capital Improvement Fund	3,245,500.00	
Deferred Charges to Future Taxation Unfunded	1,000,000.00	
		<u>5,641,791.71</u>
		17,560,013.83
Decreased by:		
Improvement Authorization Expenditures	4,364,335.30	
Due from Current Fund:		
Anticipated Revenue:		
Reserve for Payment of Debt Service	264,157.00	
		<u>4,628,492.30</u>
Balance December 31, 2020	C	<u><u>\$ 12,931,521.53</u></u>

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
ANALYSIS OF CASH

	Balance (Deficit) Dec. 31, 2019	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2020
		Budget Appropriation	Other	Improvement Authorizations	Other	From	To	
Fund Balance	\$ 498,820.83							\$ 498,820.83
Capital Improvement Fund	412,492.89	\$ 3,245,500.00				\$ 3,392,000.00	\$ 149,308.54	415,301.43
Due from Open Space Trust Fund			\$ 440,000.00			440,000.00		
Due from Housing Trust Fund			600,000.00			600,000.00		
Due from Developer Housing Trust								
Due from Recreation Trust Fund						175,000.00	175,000.00	
Due from Habitat for Humanity	(600,000.00)							(600,000.00)
Due from Randolph Township Board of Education	(30,000.00)						30,000.00	
NJ Department of Transportation Grant Receivable	(217,500.00)		217,500.00			154,000.00		(154,000.00)
Due from Denville Township	(1,703.33)							(1,703.33)
Due from Rockaway Township	(1,703.33)							(1,703.33)
Reserve for:								
Payment of Debt Service	357,929.87		79,646.00		\$ 264,157.00		73,963.14	247,382.01
In Lieu of Bikeway/Trails/Sidewalks	56,592.50							56,592.50
Preliminary Costs - Municipal Improvements	2,000.00							2,000.00
Preliminary Costs - Sewer Design	2,526.68							2,526.68
Ord. No.	Improvement Description							
20-97	Butterworth Sewer Interceptor							731,489.78
55-99/47-00	Design and Construction of Freedom Park							740.20
07-08	Acquisition of Land							1,004,978.78
08-03	Various Capital Improvements							33,031.68
15-04	Various Capital Improvements							296.32
30-05	Various Capital Improvements							24,177.65
10-08	Various Capital Improvements							2,902.20
16-08	Various Capital Improvements							0.18
13-09/18-10	Various Capital Improvements							277.87
02-10/	Renovation of Senior Community Center, Library							
08-12	& VFW Building							2,167.77
04-10	Mac Spar Drive Sewer Line Extension							7,841.91
10-10	Various Capital Improvements							2,912.13
11-10	Various Capital Improvements							96,714.02
05-11	Improvements to D.P.W. Facility							14,060.29
09-11	Various Capital Improvements							0.87
10-11	Various Capital Improvements							7,741.42
14-11	Various Capital Improvements							14,408.01
07-12	Various Capital Improvements							4,143.62
12-12	Various Capital Improvements							22,494.40
				350.87				96,363.15
				939.00				13,121.29
				0.87				
				13,704.21				7,741.42
								703.80
								4,143.62
								8,547.24

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
ANALYSIS OF CASH
(Continued)

Ord. No.	Improvement Description	Balance (Deficit) Dec. 31, 2019	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2020
			Budget Appropriation	Other	Improvement Authorizations	Other	From	To	
13-12/17-15	Various Capital Improvements	\$ 0.04			\$ 0.04				
12-13/17-15	Various Capital Improvements	30,513.30			12,866.99		\$ 17,646.31		
14-13	Various Capital Improvements	5,337.57			5,337.57				
15-13	Various Capital Improvements	138,220.17			384.13		137,808.54		\$ 27.50
16-13	Improvements to Seeing Eye Animal Shelter	6,940.11			297.00				6,643.11
13-14	Various Capital Improvements	11,609.07					11,418.00		191.07
14-14	Various Street and Road Overlays	220.80			220.80				
15-14	Water/Sewer Various Capital Improvements	106,746.93			14,000.00				92,746.93
16-14	Recreational and Open Space Capital Improvements	18,743.91							18,743.91
17-14	Various Capital Improvements	45,050.00			434.37				44,615.63
18-14	Millbrook Avenue Milling and Paving	655.33							655.33
06-15	Various Capital Improvements	44,491.39			7,468.63				37,022.76
07-15	Water/Sewer Various Capital Improvements	131,475.21							131,475.21
08-15	Various Improvements for Parks and Recreation	10,000.00							10,000.00
09-15	Various Capital Improvements	17,473.74			32.55				17,441.19
13-15	Improvements to Real Property - 42 Bennett Ave.	1,434,842.05			29,828.00				1,405,014.05
23-15	Phase II Butterworth Sewer Interceptor Improvements	(1,108,514.15)	\$ 1,000,000.00		2,179.58				(110,693.73)
26-15	Reappropriation for Radio Equipment - Police Dept.	1,199.43							1,199.43
03-16	Knights Bridge Pump Station Upgrade	1,188.24			1,188.24				
09-16	Millbrook Avenue Paving	302,310.39			105,718.78				196,591.61
10-16	Sussex Turnpike Waterline			\$ 59,133.71					59,133.71
12-16	Various Capital Improvements	(1,005,229.43)			5,956.33				(1,011,185.76)
13-16	Various Capital Improvements	63,796.53			655.10				63,141.43
14-16	Road Overlay Program	6,738.61			6,738.61				
15-16	Various Water/Sewer Capital Improvements	29,250.02			14,224.80				15,025.22
21-16	Various Parks and Recreation Capital Improvements	315,413.90			6,397.85		150,000.00		159,016.05
23-16	Police Message Signs	0.88							0.88
07-17	Various Water/Sewer Capital Improvements	301,167.87			600.00		41,500.00		259,067.87
08-17	Various Capital Improvements	365,999.37			39,819.37				326,180.00
09-17	Road Overlay Program	9,556.37			9,556.30				0.07
10-17	Calais Park Design/Engineering	13,856.02			1,055.00				12,801.02

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
ANALYSIS OF CASH
(Continued)

Ord. No.	Improvement Description	Balance (Deficit) Dec. 31, 2019	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2020
			Budget Appropriation	Other	Improvement Authorizations	Other	From	To	
11-17	Purchase DPW Equipment	\$ 46,132.94		\$ 12.00			\$ 44,898.83		\$ 1,246.11
12-17	Various Capital Improvements	314,441.75			\$ 15,191.05		25,000.00		274,250.70
17-17	Purchase Police Weapons	1,469.75							1,469.75
21-17	Meadowbrook Water Project	3,986.00							3,986.00
22-17	Purchase Asphalt Zipper	5,110.00							5,110.00
25-17	Calais Park - 90 Acres	1,173,386.58			912,179.41				261,207.17
06-18	Various Capital Improvements	581,322.64			151,562.63				429,760.01
07-18	Various Capital Improvements	1,068,848.66			64,343.05				1,004,505.61
08-18	Quaker Church Road	32,579.36			17,931.62				14,647.74
09-18	Various Capital Improvements	237,552.80			25,046.40				212,506.40
10-18	Various Capital Improvements	276,023.79							276,023.79
11-18	Freedom Park Improvements	722,977.40							722,977.40
12-18	Various Improvements	487,729.08			482,589.99				5,139.09
13-18	Various Capital Improvements	843,369.95			93,518.95				749,851.00
20-18	Security Systems	17,453.64							17,453.64
09-19	Various Capital Improvements	(864.38)			202,455.19				(203,319.57)
10-19	Various Capital Improvements	847,119.85			79,349.33				767,770.52
11-19	Various Capital Improvements	384,986.38			8,845.51				376,140.87
12-19	Various Water/Sewer Capital Improvements	258,704.16			108,102.66				150,601.50
13-19	Brookside Road Improvements	340,000.00			336,056.98				3,943.02
14-19	Road Overlay Program	527,002.89			436,682.84				90,320.05
05-20	Various Capital Improvements				170,426.94			\$ 1,049,500.00	879,073.06
06-20	2020 Road Overlay Program				887,500.27			900,000.00	12,499.73
07-20	Various Water/Sewer Improvements				24,758.29			1,150,000.00	1,125,241.71
08-20	Franklin Road Improvements							275,000.00	275,000.00
09-20	Various Capital Improvements				1,338.00			440,000.00	438,662.00
10-20	Purchase DPW Equipment				36,448.36			25,000.00	(11,448.36)
14-20	Various Water Capital Improvements							41,500.00	41,500.00
16-20	EA Porter AKA 42 Bennett Ave							600,000.00	600,000.00
18-20	Various Capital Improvements				16,105.50			105,000.00	88,894.50
19-20	Brundage Park Lighting							175,000.00	175,000.00
		\$ 11,918,222.12	\$ 4,245,500.00	\$ 1,396,291.71	\$ 4,364,335.30	\$ 264,157.00	\$ 5,189,271.68	\$ 5,189,271.68	\$ 12,931,521.53

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Balance Dec. 31, 2019	2020 Authorizations	Funded by		Balance Dec. 31, 2020	Analysis of Balance Dec. 31, 2020	
				Budget Appropriations			Expenditures	Unexpended Improvement Authorizations
20-97	Butterworth Sewer Interceptor	\$ 1,000.00				\$ 1,000.00		\$ 1,000.00
23-15	Phase II Butterworth Sewer Interceptor Improvements	1,435,000.00		\$ 1,000,000.00		435,000.00	\$ 110,693.73	324,306.27
12-16	Various Capital Improvements	1,080,500.00				1,080,500.00	1,011,185.76	69,314.24
11-18	Freedom Park Improvements	250.00				250.00		250.00
12-18	Various Improvements	3,000.00				3,000.00		3,000.00
09-19	Various Capital Improvements	506,350.00				506,350.00	203,319.57	303,030.43
10-20	Purchase DPW Equipment		\$ 323,000.00			323,000.00	11,448.36	311,551.64
		<u>\$ 3,026,100.00</u>	<u>\$ 323,000.00</u>	<u>\$ 1,000,000.00</u>		<u>\$ 2,349,100.00</u>	<u>\$ 1,336,647.42</u>	<u>\$ 1,012,452.58</u>

Ref. C

C

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2019		Capital Improvement Fund	Deferred Charges to Future Taxation -		Other Financing Sources	Paid or Charged	Cancelled	Balance Dec. 31, 2020	
		Date	Amount	Funded	Unfunded		Unfunded	Unfunded				Funded	Unfunded
20-97	Butterworth Sewer Interceptor	05/22/97	\$ 2,800,000.00	\$ 731,489.78	\$ 1,000.00							\$ 731,489.78	\$ 1,000.00
47-00	Design and Construction of Freedom Park	07/27/00	2,820,000.00	740.20								740.20	
07-08	Acquisition of Land	05/04/00	10,450,000.00	1,004,978.78								1,004,978.78	
08-03	Various Capital Improvements	06/05/03	910,000.00	33,031.68								33,031.68	
15-04	Various Capital Improvements	06/03/04	690,000.00	296.32								296.32	
30-05	Various Capital Improvements	07/07/05	950,000.00	24,177.65								24,177.65	
10-08	Various Capital Improvements	05/01/08	470,000.00	2,902.20								2,902.20	
16-08	Various Capital Improvements	06/05/08	489,000.00	0.18					\$	0.18			
18-10	Various Capital Improvements	06/04/09	1,222,000.00	277.87								277.87	
02-10/	Renovation of Senior Community Center, Library												
08-12	& YFW Building	04/06/10	3,400,000.00	2,167.77								2,167.77	
04-10	Mac Spar Drive Sewer Line Extension	05/06/10	345,000.00	7,841.91								7,841.91	
10-10	Various Capital Improvements	07/01/10	1,985,000.00	2,912.13								2,912.13	
11-10	Various Capital Improvements	07/01/10	1,704,800.00	96,714.02								96,363.15	
05-11	Improvements to D.P.W. Facility	04/07/11	3,600,000.00	14,060.29								13,121.29	
09-11	Various Capital Improvements	06/02/11	874,000.00	0.87								0.87	
10-11	Various Capital Improvements	06/02/11	382,700.00	7,741.42								7,741.42	
14-11	Various Capital Improvements	07/07/11	225,000.00	14,408.01								703.80	
07-12	Various Capital Improvements	04/03/12	1,438,500.00	4,143.62								4,143.62	
12-12	Various Capital Improvements	06/28/12	542,600.00	22,494.40								8,547.24	
13-12/													
17-15	Various Capital Improvements	06/28/12	447,000.00	0.04						0.04			
12-13/													
17-15	Various Capital Improvements	06/06/13	1,206,000.00	30,513.30						12,866.99	\$ 17,646.31		
14-13	Various Capital Improvements	06/27/13	965,000.00	5,337.57						5,337.57			
15-13	Various Capital Improvements	06/27/13	651,200.00	138,220.17						384.13	137,808.54	27.50	
16-13	Improvements to Seeing Eye Animal Shelter	06/27/13	200,000.00	6,940.11						297.00		6,643.11	
13-14	Various Capital Improvements	05/22/14	864,500.00	11,609.07							11,418.00	191.07	
14-14	Various Street and Road Overlays	06/12/14	825,000.00	220.80						220.80			
15-14	Water/Sewer Various Capital Improvements	05/22/14	450,000.00	106,746.93						14,000.00		92,746.93	
16-14	Recreational and Open Space Capital Improvements	05/22/14	233,000.00	18,743.91								18,743.91	
17-14	Various Capital Improvements	05/22/14	319,000.00	45,050.00								44,615.63	
18-14	Millbrook Avenue Milling and Paving	06/12/14	289,000.00	655.33						434.37		655.33	
06-15	Various Capital Improvements	04/30/15	323,300.00	44,491.39						7,468.63			
07-15	Water/Sewer Various Capital Improvements	04/30/15	770,000.00	131,475.21								37,022.76	
08-15	Various Improvements for Parks and Recreation	04/30/15	97,500.00	10,000.00								131,475.21	
09-15	Various Capital Improvements	04/30/15	2,128,000.00	17,473.74								10,000.00	
13-15	Improvements to Real Property - 42 Bennett Ave.	07/09/15	2,000,000.00							32.55		17,441.19	
23-15	Phase II Butterworth Sewer Interceptor Improvements	10/22/15	4,000,000.00	1,434,842.05	326,485.85					2,179.58		1,405,014.05	324,306.27
26-15	Reappropriation for Radio Equipment - Police Dept.	11/05/15	58,295.13	1,199.43								1,199.43	
03-16	Knights Bridge Pump Station Upgrade	02/25/16	182,791.14	1,188.24						1,188.24			
09-16	Millbrook Avenue Paving	04/21/16	400,000.00	302,310.39						105,718.78		196,591.61	
10-16	Sussex Turnpike Waterline	04/21/16	900,000.00							(59,133.71)		59,133.71	
12-16	Various Capital Improvements	05/05/16	1,173,000.00		75,270.57					5,956.33			69,314.24
13-16	Various Capital Improvements	05/05/16	475,000.00	63,796.53						655.10		63,141.43	
14-16	Road Overlay Program	05/05/16	1,500,000.00	6,738.61						6,738.61			
15-16	Various Water/Sewer Capital Improvements	05/05/16	225,000.00	29,250.02						14,224.80		15,025.22	
21-16	Various Parks and Recreation Capital Improvements	09/15/16	500,000.00	315,413.90						6,397.85	150,000.00	159,016.05	
23-16	Police Message Signs	09/15/16	23,469.88	0.88								0.88	

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2019		Capital Improvement Fund		Deferred Charges to Future Taxation - Unfunded		Other Financing Sources		Paid or Charged	Cancelled	Balance Dec. 31, 2020	
		Date	Amount	Funded	Unfunded	Fund	Unfunded	Unfunded	Funded	Unfunded					
07-17	Various Water/Sewer Capital Improvements	05/18/17	\$ 1,700,000.00	\$ 301,167.87				\$ 600.00	\$ 41,500.00	\$ 259,067.87					
08-17	Various Capital Improvements	05/18/17	784,000.00		365,999.37			39,819.37		326,180.00					
09-17	Road Overlay Program	05/18/17	1,000,000.00		9,556.30			9,556.30		0.07					
10-17	Calais Park Design/Engineering	05/18/17	130,000.00		13,856.02			1,055.00		12,801.02					
11-17	Purchase DPW Equipment	05/18/17	316,000.00		46,132.94			(12.00)	44,898.83	1,246.11					
12-17	Various Capital Improvements	05/18/17	418,000.00		314,441.75			15,191.05	25,000.00	274,250.70					
17-17	Purchase Police Weapons	07/27/17	10,000.00		1,469.75					1,469.75					
21-17	Meadowbrook Water Project	11/16/17	80,000.00		3,986.00					3,986.00					
22-17	Purchase Asphalt Zipper	11/16/17	108,000.00		5,110.00					5,110.00					
25-17	Calais Park - 90 Acres	11/16/17	2,520,000.00		1,173,386.58			912,179.41		261,207.17					
06-18	Various Capital Improvements	05/03/18	1,261,500.00		581,322.64			151,562.63		429,760.01					
07-18	Various Capital Improvements	05/03/18	1,425,000.00		1,068,848.66			64,343.05		1,004,505.61					
08-18	Quaker Church Road	05/03/18	273,000.00		32,579.36			17,931.62		14,647.74					
09-18	Various Capital Improvements	05/03/18	1,275,000.00		237,552.80			25,046.40		212,506.40					
10-18	Various Capital Improvements	05/03/18	465,000.00		276,023.79					276,023.79					
11-18	Freedom Park Improvements	05/03/18	2,075,000.00		722,977.40	\$ 250.00		482,589.99		722,977.40	\$ 250.00				
12-18	Various Improvements	05/17/18	573,000.00		487,729.08	3,000.00		93,518.95		5,139.09	3,000.00				
13-18	Various Capital Improvements	05/17/18	3,050,000.00		843,369.95					749,851.00					
20-18	Security Systems	09/20/18	44,000.00		17,453.64					17,453.64					
09-19	Various Capital Improvements	05/02/19	558,000.00			505,485.62		202,455.19			303,030.43				
10-19	Various Capital Improvements	05/02/19	1,035,500.00		847,119.85			79,349.33		767,770.52					
11-19	Various Capital Improvements	05/02/19	415,000.00		384,986.38			8,845.51		376,140.87					
12-19	Various Water/Sewer Capital Improvements	05/02/19	260,000.00		238,704.16			108,102.66		150,601.50					
13-19	Brookside Road Improvements	05/02/19	340,000.00		340,000.00			336,056.98		3,943.02					
14-19	Road Overlay Program	05/02/19	1,200,000.00		527,002.89			436,682.84		90,320.05					
05-20	Various Capital Improvements	05/21/20	1,049,500.00				\$ 1,049,500.00	170,426.94		879,073.06					
06-20	2020 Road Overlay Program	05/21/20	900,000.00				900,000.00			12,499.73					
07-20	Various Water/Sewer Improvements	05/21/20	1,150,000.00				1,150,000.00	24,758.29		1,125,241.71					
08-20	Franklin Road Improvements	05/21/20	275,000.00				121,000.00		\$ 154,000.00	275,000.00					
09-20	Various Capital Improvements	05/21/20	440,000.00				25,000.00	1,338.00		438,662.00				311,551.64	
10-20	Purchase DPW Equipment	05/21/20	348,000.00				41,500.00	36,448.36		41,500.00					
14-20	Various Water Capital Improvements	06/25/20	41,500.00							600,000.00					
16-20	EA Porter AKA 42 Bennett Ave	06/25/20	600,000.00												
18-20	Various Capital Improvements	09/24/20	105,000.00				105,000.00	16,105.50		88,894.50					
19-20	Brundage Park Lighting	09/24/20	175,000.00							175,000.00					

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2019	C	\$ 412,492.89
Increased by:		
Improvement Authorizations Cancelled	\$ 149,308.54	
Current Fund Budget Appropriation	<u>3,245,500.00</u>	
		<u>3,394,808.54</u>
		3,807,301.43
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>3,392,000.00</u>
Balance December 31, 2020	C	<u><u>\$ 415,301.43</u></u>

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2020

NOT APPLICABLE

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds			Interest Rate	Balance Dec. 31, 2019	Matured	Balance Dec. 31, 2020
			Outstanding	Dec. 31, 2020	Amount				
General Improvement Bonds	8/1/15	\$ 15,380,000.00	2/1/21	\$ 750,000.00	3.000%	\$ 13,150,000.00	\$ 745,000.00	\$ 12,405,000.00	
			2/1/22	755,000.00	3.000%				
			2/1/23	760,000.00	3.000%				
			2/1/24	765,000.00	3.000%				
			2/1/25	770,000.00	3.000%				
			2/1/26	775,000.00	3.000%				
			2/1/27	780,000.00	3.000%				
			2/1/28	785,000.00	3.000%				
			2/1/2029-31	790,000.00	3.000%				
			2/1/2032-33	790,000.00	3.125%				
			2/1/2034-35	790,000.00	3.250%				
			2/1/36	735,000.00	3.250%				
			General Improvement Bonds	9/6/18	8,885,000.00				10/15/21
10/15/22	580,000.00	3.000%							
10/15/23	590,000.00	3.000%							
10/15/24	600,000.00	3.000%							
10/15/25	610,000.00	4.000%							
10/15/26	615,000.00	3.000%							
10/15/27	625,000.00	3.000%							
10/15/28	635,000.00	3.000%							
10/15/29	645,000.00	3.000%							
10/15/30	655,000.00	3.000%							
10/15/31	665,000.00	3.000%							
10/15/32	675,000.00	3.000%							
10/15/33	545,000.00	3.125%							
						\$ 21,640,000.00	\$ 1,255,000.00	\$ 20,385,000.00	
						C	C	C	
						Ref.			
						Paid by Budget Appropriation	\$ 925,000.00		
						Paid by Open Space Reserve	330,000.00		
							\$ 1,255,000.00		

TOWNSHIP OF RANDOLPH
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance Dec. 31, 2019	2020 Authorizations	Funded By Budget Appropriation	Balance Dec. 31, 2020
20-97	Butterworth Sewer Interceptor	\$ 1,000.00			\$ 1,000.00
23-15	Phase II Butterworth Sewer Interceptor Improvements	1,435,000.00		\$ 1,000,000.00	435,000.00
12-16	Various Capital Improvements	1,080,500.00			1,080,500.00
11-18	Freedom Park Improvements	250.00			250.00
12-18	Various Improvements	3,000.00			3,000.00
09-19	Various Capital Improvements	506,350.00			506,350.00
10-20	Purchase DPW Equipment		\$ 323,000.00		323,000.00
		<u>\$ 3,026,100.00</u>	<u>\$ 323,000.00</u>	<u>\$ 1,000,000.00</u>	<u>\$ 2,349,100.00</u>

TOWNSHIP OF RANDOLPH
COUNTY OF MORRIS
2020
PUBLIC ASSISTANCE FUND

TOWNSHIP OF RANDOLPH
PUBLIC ASSISTANCE FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>P.A.T.F. I</u>
Balance December 31, 2019	F	\$ 9,485.57
Balance December 31, 2020	F	<u><u>\$ 9,485.57</u></u>

TOWNSHIP OF RANDOLPH
COUNTY OF MORRIS
2020
SWIMMING POOL UTILITY FUND

TOWNSHIP OF RANDOLPH
SWIMMING POOL UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>		
Balance December 31, 2019	I	\$	894.46
Increased by:			
Interest Income			8.23
			<hr/>
Balance December 31, 2020	I	\$	902.69
			<hr/> <hr/>

TOWNSHIP OF RANDOLPH

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2020

TOWNSHIP OF RANDOLPH
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2020

Name of Federal Agency or Department	Name of Program	C.F.D.A Account Number	Pass Through Entity ID	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures	Amounts Provided to Subrecipients
				From	To					
U.S. Department of Justice	Bulletproof Vest Partnership Program	16.607	N/A	01/01/18	12/31/21	\$ 11,505.00	\$ 9,856.00	\$ 912.90	\$ 10,309.90	
Total Department of Justice							9,856.00	912.90	10,309.90	
U.S. Department of Treasury: (Passed through the New Jersey Department of Community Affairs):	COVID-19 - Corona Virus Relief Fund: Local Government Emergency Fund	21.019	100-022-8030-686-049690	3/1/2020	12/31/20	267,893.00	267,893.00	267,893.00	267,893.00	
Total Department of Treasury							267,893.00	267,893.00	267,893.00	
U.S. Department of Transportation: (Passed through New Jersey Department of Transportation)	Brookside Road Project	20.205	480-078-6320 AM2-605178	05/02/19	12/31/20	217,500.00	217,500.00	217,500.00	217,500.00	
Total Department of Transportation							217,500.00	217,500.00	217,500.00	
Total Federal Awards							\$495,249.00	\$486,305.90	\$495,702.90	\$ -0-

N/A - Not Applicable/Available

SEE NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF RANDOLPH
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2020

Name of State Agency or Department	Name of Program	State Grant Award Number	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures
			From	To				
Department of Environmental Protection	Clean Communities	765-042-4900-004-VCMC	01/01/17	12/31/21	\$ 57,597.92		\$ 10,526.36	\$ 37,568.04
			01/01/18	12/31/21	55,086.69		8,568.26	8,868.26
			01/01/20	12/31/21	55,437.89	\$ 55,437.89		
	Total Clean Communities				55,437.89	19,094.62	37,568.04	
	Recycling Tonnage Grant	752-042-4900-001-V42Y-6020	01/01/14	12/31/21	46,271.96		3,851.38	46,271.65
			01/01/16	12/31/21	36,381.53		5,751.63	36,381.53
			01/01/19	12/31/21	52,992.02		22,967.14	52,322.02
			01/01/20	12/31/21	48,085.43		48,085.42	48,085.42
Total Recycling Tonnage Grant							80,655.57	183,060.62
Total Department of Environmental Protection							99,750.19	220,628.66
Department of Law and Public Safety	Body Armor Grant	718-066-1020				55,437.89		
		001-090160	01/01/20	12/31/21	3,353.77	3,353.77		
Total Body Armor Grant						3,353.77		
	Drunk Driving Enforcement Fund	100-078-6400-YYYY	01/01/15	12/31/20	22,412.32		13.68	22,412.32
			01/01/18	12/31/21	9,161.93		1,940.09	1,940.09
							1,953.77	24,352.41
	Total Drunk Driving Fund					3,353.77	1,953.77	24,352.41
Total Department of Law and Public Safety								
Department of Treasury Governor's Council on Alcoholism and Drug Abuse (Passed Through the County of Morris)	Governor's Council on Alcoholism and Drug Abuse	100-082-2000-044-995120	07/01/19	06/30/21	18,104.46		6,620.97	10,933.35
			07/01/20	06/30/21	7,584.32	7,584.32		
						7,584.32	6,620.97	10,933.35
	Total Department of Treasury					\$ 66,375.98	\$ 108,324.93	\$ 255,914.42
Total State Awards								

SEE NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF RANDOLPH
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2020

Note 1. GENERAL

The accompanying schedules of expenditures of federal and state awards (the “Schedules”) includes the federal and state grant activity of the Township of Randolph under programs of the federal and state governments for the year ended December 31, 2020. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Township, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Township.

Note 2. BASIS OF PRESENTATION

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through identifying numbers are presented where available. The Township has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.



200 Valley Road, Suite 300
Mt. Arlington, NJ 07856
973.298.8500

11 Lawrence Road
Newton, NJ 07860
973.383.6699

nisivoccia.com

Independent Member
BKR International

Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

The Honorable Mayor and Members
of the Township Council
Township of Randolph
Randolph, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("the Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements - *regulatory basis* - of the various funds of the Township of Randolph, in the County of Morris (the "Township") as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements and have issued our report thereon dated June 3, 2021. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) as a basis for designating audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Honorable Mayor and Members
of the Township Council
Township of Randolph
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mount Arlington, New Jersey
June 3, 2021

Nisivoccia, LLP
NISIVOCCIA LLP

Kathryn L. Mantell

Kathryn L. Mantell
Certified Public Accountant
Registered Municipal Accountant No. 447

TOWNSHIP OF RANDOLPH
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2020

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the Township's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- A significant deficiency disclosed during the audit of the financial statements is reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
- No instances of noncompliance material to the financial statements of the Township which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Township was not subject to the single audit provisions of the Uniform Guidance and New Jersey's OMB Circular 15-08 for the year ended December 31, 2020 as both state and federal grant expenditures were less than the single audit thresholds of \$750,000 identified in the Uniform Guidance and NJOMB 15-08.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 05-18.

Findings and Questioned Costs for State Awards:

- Not applicable – State award expenditures are less than the single audit threshold.

Findings and Questioned Costs for Federal Awards:

- Not applicable – Federal award expenditures are less than the single audit threshold.

TOWNSHIP OF RANDOLPH
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

The Township's prior year finding (2019-001) regarding fixed assets was resolved during the current year.

TOWNSHIP OF RANDOLPH

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2020

TOWNSHIP OF RANDOLPH
COMMENTS AND RECOMMENDATIONS

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4

N.J.S.A. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to Subsection b. of Section 9 of P.L. 1971, C.198 (N.J.S.A. 40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, C.198 (N.J.S.A. 40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L.1999, C.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, C.198 (N.J.S.A. 40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S.A. 40A: 11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective July 1, 2015 through June 30, 2020, the bid thresholds in accordance with N.J.S.A. 40A:11-3 are \$17,500 for a contracting unit without a qualified purchasing agent and \$40,000 for a contracting unit with a qualified purchasing agent. Effective July 1, 2020 and thereafter, the bid thresholds in accordance with N.J.S.A. 40A:11-3 are \$17,500 for a contracting unit without a qualified purchasing agent and \$44,000 for a contracting unit with a qualified purchasing agent

The governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

The minutes indicated that bids were requested by public advertising per N.J.S.A. 40A:11-4. The minutes also indicated that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" and "Extraordinary Unspecifiable Services" per N.J.S.A. 40A:11-5.

TOWNSHIP OF RANDOLPH
COMMENTS AND RECOMMENDATIONS
(Continued)

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4 (Cont'd)

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

Collection of Interest on Delinquent Taxes, Utility Charges and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes, utility charges or assessments on or before the date when they would become delinquent.

On January 1, 2020, the governing body adopted the following resolutions authorizing interest to be charged on delinquent taxes, utility charges and assessments:

Interest to be charged at the rate of 18% on all delinquent taxes, utility charges and assessments in excess of \$1,500 as per N.J.S. 54:4-67 and Chap. 435-1979 and at the rate of 8% on all delinquent taxes and utility charges under \$1,500. Interest to be waived on current taxes paid within the first 10 days after due dates. An additional penalty of 6% will be imposed on delinquencies in excess of \$10,000 at December 31.

It appears from an examination of the Tax Collector's and the Utility Collector's records on test basis that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The following comparison is made of the number of tax title liens receivable on December 31 of the last three years:

<u>Year</u>	<u>Number of Liens</u>
2020	43
2019	43
2018	43

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, consisting of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>
Payments of 2021 Taxes	20
Payments of 2020 Taxes	20
Delinquent Taxes	15
Tax Title Liens	5
Payments of Water/Sewer Utility Charges	10
Delinquent Water/Sewer Utility Charges	10
Special Assessments	4

TOWNSHIP OF RANDOLPH
COMMENTS AND RECOMMENDATIONS
(Continued)

Verification of Delinquent Taxes and Other Charges (Cont'd)

Verification notices were mailed to confirm balances as of December 31, 2020. The items that were returned were checked and in agreement with the Township's records. For items not returned, alternative procedures were performed.

New Jersey Administrative Code Accounting Requirements

The Division of Local Government Services has established three (3) accounting requirements which are prescribed in the New Jersey Administrative Code. They are as follows:

1. Maintenance of an encumbrance accounting system.
2. General ledger accounting and record system.
3. Fixed asset accounting and reporting system.

The Township maintains an encumbrance accounting system, a fixed asset accounting and reporting system and a general ledger accounting system.

Municipal Court

The report of the Municipal Court has been forwarded to the Division of Local Government Services and the Township Magistrate under separate cover. Reflected below is a summary of receipts and disbursements for the year ended December 31, 2020.

	Balance Dec. 31, 2019	Receipts	Disbursements	Balance Dec. 31, 2020
Municipal Treasurer:				
Fines and Costs	\$ 16,542.04	\$ 144,345.47	\$ 154,192.07	\$ 6,695.44
County Treasurer	6,762.50	74,677.25	77,259.25	4,180.50
State Treasurer	8,368.28	97,803.51	102,541.10	3,630.69
Miscellaneous	4,150.00	33,780.50	33,616.50	4,314.00
Bail	300.00	10,172.00	9,722.00	750.00
	<u>\$ 36,122.82</u>	<u>\$ 360,778.73</u>	<u>\$ 377,330.92</u>	<u>\$ 19,570.63</u>

Status of Prior Year Recommendations

The prior year recommendation regarding a fixed asset accounting and reporting system were resolved in the current year.

TOWNSHIP OF RANDOLPH
COMMENTS AND RECOMMENDATIONS
(Continued)

Management Suggestions:

Capital Improvement Authorizations and Receivables

Our review of the capital ordinances in the Capital Funds revealed several older ordinances with unexpended balances and several older receivable balances that have not been collected. It is suggested that all capital ordinance balances be reviewed for possible cancellation and receivable balances in the Capital Fund be review for collectability.

Effect on Internal Controls due to COVID-19

With the increased ability for certain work functions to be done remotely and the increased use of electronic payments and processes, it is suggested that the Township routinely reviews the internal controls in place especially with respect to security of passwords as well as access rights to accounting software and bank information including bank wire transfers and the timely back-up of records.

Sick and Vacation Leave

It is suggested that the Township consult with its attorney to ensure that its negotiated labor contracts, individual employee agreements and employee policies, as applicable, are in accordance with New Jersey statutes regarding unused sick and vacation leave.

Federal and State Grant Reserves

The Federal and State Grant Fund has a number of appropriated reserve grant balances and grant receivable balances that are several years old. It is suggested that these appropriated grant reserve and account receivable balances be reviewed for cancellation.

TOWNSHIP OF RANDOLPH
SUMMARY OF RECOMMENDATIONS

There are no current year recommendations.

* * * * *